

PREFACE

The Executive Branch budget for the 1998-2000 biennium is the financial plan for Kentucky State Government as proposed by the Governor for consideration by the 1998 General Assembly. It is published by the Governor's Office for Policy and Management pursuant to KRS Chapter 48.

The 1998-2000 budget is presented in six volumes:

- Executive Budget, Volume I: state agency program budget detail.
- Executive Budget, Volume II: capital projects overview and detail.
- Surplus Expenditure Plan: priority identification of additional statewide infrastructure projects, school technology and state government technology projects, and Budget Reserve Trust Fund.
- Budget in Brief: budget overview and summary data.
- Revenue Estimates and Capital Financing Analysis: information about the General Fund and Road Fund forecasts, and information about new Capital investment projects and debt.
- Historical Data: actual agency revenue and expenditure data for the past two fiscal years.

These documents provide the detail to support the budget in legislative form as presented in the budget bill.

ACKNOWLEDGMENTS

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EDWARD B. HATCHETT, JR.
AUDITOR OF PUBLIC ACCOUNTS

January 16, 1998

Honorable Members of the General Assembly
Frankfort, Kentucky 40601

In accordance with Chapter 43.050(2)(i) of the Kentucky Revised Statutes, we examined the revised revenue estimates for Fiscal Year 1998 and the detailed revenue estimates for Fiscal Years 1999 and 2000 for the General Fund, the Road Fund, Agency Funds, and Federal Funds. General Fund and Road Fund estimates were approved by the consensus forecasting group in accordance with KRS 48.115. Agency and federal funds estimates were provided by the Governor's Office for Policy and Management.

The consensus forecasting group used data as of December 1997. Actual results may vary from the forecast.

The consensus forecasting group's view of the Kentucky economy for the current fiscal year and the next biennium considered national economic data. The data were obtained from DRI/McGraw-Hill's December 1997 U.S. Forecast Summary and from the U.S. Bureau of Economic Analysis. Information used by the group in this process is summarized below, including the General Fund and Road Fund resources growth percentages:

	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
U.S. Personal Income	5.9%	5.3%	4.0%	3.6%
U.S. Non-Ag Employment	2.2%	2.2%	1.4%	0.0%
KY Personal Income	6.1%	5.2%	4.3%	4.2%
KY Non-Ag Employment	2.1%	2.0%	1.8%	1.6%
KY General Fund	6.1%	4.1%	4.7%	4.9%
KY Road Fund	2.2%	2.6%	3.7%	4.0%

Honorable Members of the General Assembly
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In addition, we examined the following estimates of Agency and Federal Fund resources:

	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
Agency Fund Resources \$ --	3,497,933,800		3,312,683,200	3,212,264,100
Federal Fund Resources --		4,199,498,800	4,350,120,100	4,332,231,200

We do not express an opinion on the achievability of the revenue estimates. However, our examination of the assumptions and methodology used in making the revenue estimates disclosed no evidence which indicates the revenue estimates are not based on reasonable assumptions or methodology as prescribed by Chapter 48 of the Kentucky Revised Statutes. The scope of this review does not consider the impact of any budget or legislative actions which may be considered by the 1998 General Assembly.

Respectfully submitted,

Edward B. Hatchett, Jr.

1998-2000 BUDGET SUMMARY OF THE GENERAL FUND

	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
RESOURCES			
Undesignated Beginning Balance	284,116,600	0	0
Consensus Revenue Forecast *	5,894,295,000	6,169,065,000	6,469,702,000
Tax Cut Initiatives		(8,500,000)	(13,500,000)
Continued Appropriations Reserve			
Budget Reserve Trust Fund	200,000,000	200,000,000	200,000,000
Other	53,990,900		
Subtotal	<u>253,990,900</u>	<u>200,000,000</u>	<u>200,000,000</u>
Fund Transfers	12,975,000	2,000,000	2,000,000
Bond Proceeds	103,386,000		
TOTAL RESOURCES	<u>6,548,763,500</u>	<u>6,362,565,000</u>	<u>6,658,202,000</u>
APPROPRIATIONS			
Regular	6,051,857,000 **	6,162,565,000	6,458,202,000
Current Year Appropriations	15,400,500		
Less: Empower Kentucky Savings	(2,600,000)		
TOTAL APPROPRIATIONS	<u>6,064,657,500</u>	<u>6,162,565,000</u>	<u>6,458,202,000</u>
BALANCE	<u>484,106,000</u>	<u>200,000,000</u>	<u>200,000,000</u>
Continued Appropriations Reserve			
Budget Reserve Trust Fund	200,000,000	200,000,000	200,000,000
Other	53,990,900		
Subtotal	<u>253,990,900</u>	<u>200,000,000</u>	<u>200,000,000</u>
UNDESIGNATED ENDING BALANCE	<u>230,115,100 ***</u>	<u>0 ***</u>	<u>0</u>

* Per the January, 1998 Consensus Forecast Group estimate.

** Includes all Regular Session, Special Session, and Necessary Governmental Expense appropriations.

*** To be available for the Surplus Expenditure Plan.

NOTE: The numbers for the biennium reflect a structurally-balanced budget in both fiscal year 1999 and fiscal year 2000; therefore, no beginning balances or changes in the continued appropriations reserve are reflected for those years. Also, Empower Kentucky additional revenues are reflected in the Consensus Revenue Forecast numbers and Empower Kentucky appropriations savings for fiscal years 1999 and 2000 are reflected in the recommended appropriations numbers.

**Governor Patton's Tax Policy
1998-2000 Executive Budget**

Since 1995, the General Fund revenue base of the Commonwealth has absorbed a series of tax cuts including private pension and Individual Retirement Account (IRA) individual income tax exemptions, an inheritance tax exemption, an individual income tax standard deduction increase to \$1,700, and a phase out of the Medicaid provider tax on physicians.

Additionally, as a result of litigation, two court rulings in fiscal year 1997 ("Marcum" - property tax on automobiles; and "St. Ledger" - equal treatment of stock), have reduced the General Fund tax base even further. Also, in fiscal year 1998 Governor Patton directed the Revenue Cabinet to amend its administrative policies to reduce the valuation basis of automobile property tax (effective January 1998).

The 1998-2000 Executive Budget contemplates the following tax policy changes which will reduce General Fund revenue by \$8.5 million in fiscal year 1999 and by \$13.5 million in fiscal year 2000.

Kentucky Investment Fund Act: to encourage capital investment in the development of small businesses in Kentucky with individual income tax credits for investors. Estimated impact on the General Fund - \$5 million in fiscal year 2000.

Skills Training Investment Credit Act: to provide an income tax credit to companies for up to 50% of their approved costs for training expenses, limited to \$500 per employee not to exceed \$100,000 per company per biennium. Estimated impact on the General Fund - \$2.5 million annually.

Renaissance Kentucky Tax Credit Program: to provide tax credits for efforts to revitalize Kentucky's cities. Estimated impact on the General Fund - \$1 million annually.

Health Insurance Individual Income Tax Deduction: to provide tax deductions to individuals who do not receive tax benefits from an employer health plan. Estimated impact on the General Fund - \$5 million annually.

General Fund Tax Cut Summary

	<u>FY 1999</u>	<u>FY 2000</u>
Kentucky Investment Fund Act		(5,000,000)
Skills Training Investment Credit Act	(2,500,000)	(2,500,000)
Health Insurance Individual Income Tax Deduction	(5,000,000)	(5,000,000)
Kentucky Historic Tax Credit (Renaissance)	(1,000,000)	(1,000,000)
TOTAL	<u>(8,500,000)</u>	<u>(13,500,000)</u>

1998-2000 BUDGET SUMMARY OF THE ROAD FUND

	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
RESOURCES			
Beginning Balance	18,939,900	9,709,800	10,704,700
Official Road fund Revenue Estimate	985,241,900	1,021,407,900	1,062,707,300
Extended Weight Compliance Initiative		275,000	260,000
Non-Revenue Receipts	102,000	125,000	125,000
TOTAL RESOURCES	<u>1,004,283,800</u>	<u>1,031,517,700</u>	<u>1,073,797,000</u>
APPROPRIATIONS			
Transportation Cabinet			
Revenue Sharing	203,464,000	204,091,500	208,717,000
Adjustment for Revised Estimate	(3,523,500)		
Highways	510,446,500	531,350,500	562,965,500
Vehicle Regulation	24,876,000	28,246,000	29,304,000
Debt Service	152,330,000	153,027,500	168,633,500
General Administration and Support	52,563,500	56,916,500	63,507,000
Judgments/ANOC	5,983,500		
Capital Construction	4,004,000	10,447,000	8,923,000
Current Year Appropriation	2,300,000		
Subtotal	<u>952,444,000</u>	<u>984,079,000</u>	<u>1,042,050,000</u>
Justice Cabinet	40,407,000	35,000,000	30,000,000
Revenue Cabinet	1,352,000	1,352,000	1,352,000
Finance and Administration Cabinet	371,000	382,000	395,000
TOTAL APPROPRIATIONS	<u>994,574,000</u>	<u>1,020,813,000</u>	<u>1,073,797,000</u>
BALANCE	9,709,800	10,704,700	0

**1998-2000 EXECUTIVE BUDGET
CAPITAL CONSTRUCTION SUMMARY**

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>New Authorization</u>
SOURCE OF FUNDS				
Executive Branch				
General Fund		22,465,000	1,200,000	23,665,000
Restricted Fund	10,888,000	609,868,000	121,601,000	742,357,000
Federal Fund	621,000	79,266,000	8,871,000	88,758,000
Bond Fund	3,200,000	565,777,000		568,977,000
Road Fund		10,447,000	8,923,000	19,370,000
Agency Bond		91,525,000		91,525,000
Capital Construction Surplus	1,477,000	1,462,000		2,939,000
Investment Income	698,000	37,152,000	13,100,000	50,950,000
Other	1,599,000	126,309,000	29,889,000	157,797,000
TOTAL SOURCE OF FUNDS	<u>18,483,000</u>	<u>1,544,271,000</u>	<u>183,584,000</u>	<u>1,746,338,000</u>
EXPENDITURES BY CABINET				
Executive Branch				
Government Operations		12,525,000	8,757,000	21,282,000
Economic Development		7,000,000		7,000,000
Education		282,000	1,200,000	1,482,000
Education, Arts and Humanities	1,599,000	5,056,000	150,000	6,805,000
Families and Children		300,000	300,000	600,000
Finance and Administration	771,000	226,759,000	15,637,000	243,167,000
Health Services	1,100,000	850,000	450,000	2,400,000
Justice	621,000	86,994,000	2,090,000	89,705,000
Labor		656,000	470,000	1,126,000
Natural Resources		15,023,000	7,030,000	22,053,000
Personnel				
Postsecondary Education	14,015,000	1,092,736,000	130,242,000	1,236,993,000
Public Protection		1,100,000		1,100,000
Revenue		425,000		425,000
Tourism Development	377,000	11,951,000	7,075,000	19,403,000
Transportation		78,547,000	8,923,000	87,470,000
Workforce Development		4,067,000	1,260,000	5,327,000
TOTAL EXPENDITURES	<u>18,483,000</u>	<u>1,544,271,000</u>	<u>183,584,000</u>	<u>1,746,338,000</u>

Capital Construction Overview

The Commonwealth's capital construction program for the 1998-2000 biennium is reflected in two separate parts. The first and largest of these is depicted in this document and Part II of the Appropriations Bill for the Executive Branch of government. The following narrative describes the treatment of capital construction projects, major items of equipment, and technology systems recommended for funding in the 1998-2000 biennium in the Executive Budget of the Commonwealth.

A second tier of significant capital project expenditures involving additional funding for community development projects, infrastructure, the Budget Reserve Trust Fund, and technology initiatives is addressed in the General Fund Surplus Expenditure Plan outlined separately. Thus, Volume II of this document and the accompanying project descriptions focus on the regular budget and the capital construction priorities, policies, and information incorporated therein.

Policy Emphases

The capital construction budget for 1998-2000 includes significant recommendations in the following major policy areas :

- New policy, programmatic or project initiatives – the most prominent of which is postsecondary education improvement.
- Major investment in public safety including juvenile justice, corrections, law enforcement, and disaster and emergency services.
- Construction of a major new office building/complex in Frankfort.
- Maintenance and renovation of the existing capital investment and physical plant.
- Completing projects previously authorized or initiated.
- Technology advances.
- State matching funds needed to access federal funds and other non-state revenue resources.
- Critical one-time increases in capital outlay (equipment, furnishings, and vehicles) for selected programs and agencies.

Resource Options: Source of Funds/Type of Approach

A broad array of funding options to support all types of capital projects is recommended in the budget. The specific financing mechanism for an individual project has been tied to the character and useful life of that particular project or "pool." Bonded indebtedness and long-term financing is recommended for the most significant, expensive, and long-lived projects with special emphasis accorded to investments in postsecondary education, elementary and secondary education, public safety, and infrastructure. The amount of General Fund-supported new capital project bonds recommended is \$500,877,000, typically to be financed over a 20-year period (with some exceptions for shorter term issues involving equipment or technology initiatives). Some \$91,525,000 in agency fund-supported bonds selected for similar reasons of public purpose and useful life span have also been recommended – concentrated in the areas of postsecondary education and infrastructure. Road Fund-supported bonds are recommended for a new office complex to serve the Kentucky Transportation Cabinet. Additionally, a \$200,000,000 Turnpike Authority bond issue for highway and bridge construction is described elsewhere in the Executive Budget documents.

A significant number of medium to smaller size projects are recommended for support from General Fund cash currently available. Individual projects of this type are detailed in the specific agency sections of this document.

In a few areas the budget recommendation references that a project is authorized to be undertaken from either a conventional state construction approach or by means of a built-to-suit or other similar "privatized" means. The term "conventional state construction" as used here means by the sale of tax exempt bonds through the State Property and Buildings Commission or the Kentucky Turnpike Authority or through a lease/purchase arrangement directly administered by the Finance and Administration Cabinet. The built-to-suit or privatized option broadly indicates that a private "design build," price contract, or other financing and/or construction method is sanctioned with less "hands on" attention or adherence to the procedural requirements of typical state construction administration. The projects eligible for this "option" include the new medium security state prison (authorized for design only in this biennium); the new maximum security juvenile justice facility; a new residential complex development at Murray State University; and possibly the new state office building in Frankfort.

Another set of capital projects primarily involving "maintenance" as defined by statute (individual projects costing less than \$400,000) will be funded from Capital Construction Investment Income – most often in the form of "maintenance pools" for individual departments. A few projects of more complexity or cost receive direct funding from this same cash source reflecting the highest priority renovation and maintenance needs. Examples of such projects would be repair of the State Capitol Dome, essential aircraft maintenance, and support for the statutory Emergency Repair, Maintenance and Replacement Fund as well as the statutory Capital Construction and Equipment Purchase Contingency Fund.

Finally, numerous projects are recommended for support from restricted funds (agency-generated resources) and/or federal funds. The vast majority of the purely agency (restricted) fund-supported projects are, as in previous budgets, in postsecondary education. Federal funds recommended which require a match of state funds have been accorded a high priority in a number of areas including the Kentucky Infrastructure Authority (KIA) program and the Corps of Engineers Flood Control (Department for Local Government) matching funds program.

New Policy, Programmatic, or Project Initiatives

The two most significant policy priorities for new capital construction financing are postsecondary education and public safety. Of the total new bonds recommended, some \$334,800,000 is dedicated to General Fund-supported capital construction projects in postsecondary education. Another \$80,500,000 in agency fund-supported bonds will also go to postsecondary education projects, as well as numerous agency fund cash-supported projects. In the wake of the passage of House Bill 1 in the May 1997 Special Session, mandating postsecondary education improvements, a number of trust funds involving capital projects, research equipment, and technology initiatives were established. The detailed capital project listing recommended for the entirety of state General Fund bond support is depicted on the following charts:

EXECUTIVE BRANCH - ALL AGENCIES AND POSTSECONDARY EDUCATION

**CHART I
Bond Fund - Recommended
(General Fund Debt Service)**

Agency	Project	Reauthorized	Project/Pool Authorization	Finance Term
Military Affairs	DES-2-Way Communications		1,200,000	10 YR
DLG	Flood Control Matching		5,000,000	20 YR
State Police	Integrated Criminal Apprehension Program		1,583,000	7 YR
State Police	Kentucky Accident Reporting System		1,587,000	7 YR
State Police	Basic Radio System		20,082,000	10 YR
Juvenile Justice	Detention Facilities #1		5,357,000	20 YR
Juvenile Justice	Detention Facilities #2		5,357,000	20 YR
Juvenile Justice	Detention Facilities #3		5,357,000	20 YR
Juvenile Justice	Central Kentucky Treatment Center		8,410,000	20 YR
Juvenile Justice	Expansion-Breathitt County Detention Center		2,500,000	20 YR
Corrections	New Prison - Design		3,440,000	20 YR
Corrections	KCIW - Phase I Expansion		16,434,000	20 YR
Corrections	BCC-200 Bed Minimum		5,195,000	20 YR
Corrections	NTC - Water Storage Tank		849,000	20 YR
Postsecondary Education	CPE -Deferred Maintenance/Government Mandates Pool		20,613,000	20 YR
Postsecondary Education	KCTCS -Deferred Maintenance/Government Mandates Pool		4,387,000	20 YR
Postsecondary Education	KCTCS -Automated Administrative Systems		3,200,000	20 YR
Postsecondary Education	KCTCS -Central Regional Postsecondary Education Center - Phase I		10,663,000	20 YR
Postsecondary Education	KCTCS -Hazard Community College Classroom Building - Phase II		4,355,000	20 YR
Postsecondary Education	KCTCS -Kentucky Technical College of Arts and Crafts		2,747,000	20 YR
Postsecondary Education	KCTCS -Kentucky Tech Clinton County: Regional Technology Center		3,537,000	20 YR
Postsecondary Education	KCTCS -Kentucky Tech Danville: Regional Technology Center		4,680,000	20 YR
Postsecondary Education	KCTCS -Madisonville Community College-Science/ Technical Classroom Building		2,900,000	20 YR
Postsecondary Education	KCTCS -Maysville Community College and Kentucky Tech Maysville: New Technology Center		1,675,000	20 YR

Agency	Project	Reauthorized	Project/Pool Authorization	Finance Term
Postsecondary Education	KCTCS New Kentucky Tech Shelby County Campus and Jefferson Community College Extension		7,208,000	20 YR
Postsecondary Education	KCTCS Northeast Regional Postsecondary Education Center		5,000,000	20 YR
Postsecondary Education	KCTCS Somerset Community College and Kentucky Tech - Academic Support/Tech Ed Complex		6,873,000	20 YR
Postsecondary Education	KCTCS South Regional Postsecondary Education Center - Phase I		6,180,000	20 YR
Postsecondary Education	KCTCS Southeast Regional Postsecondary Education Center - Phase 1		10,484,000	20 YR
Postsecondary Education	KCTCS West Regional Postsecondary Education Center - Phase 2		5,000,000	20 YR
Postsecondary Education	CVU Technology Pool		30,000,000	7YR
Postsecondary Education	Research Equipment/Lab Replacement/Acquisition		26,250,000	7 YR
Postsecondary Education	NKU-Natural Science		36,500,000	20 YR
Postsecondary Education	MoSU-Breckinridge Hall Renovation		14,000,000	20 YR
Postsecondary Education	UK-Mechanical Engineering Facility		19,600,000	20 YR
Postsecondary Education	MuSU-Carr Health/Cutchin Renovation		10,184,000	20 YR
Postsecondary Education	EKU-Student Service/Classroom Building		20,000,000	20 YR
Postsecondary Education	KSU-Hill Student Center Renovation/Expansion		8,250,000	20 YR
Postsecondary Education	UL-Research Bldg (Belknap Campus)		32,040,000	20 YR
Postsecondary Education	WKU-Postsecondary Education Improvement Act of 1997 Facility		18,500,000	20 YR
Postsecondary Education	UK-Aging/Allied Health Bldg-Phase I		20,000,000	20 YR
SFCC	Reauthorized	30,000,000		20 YR
SFCC	Bond Pool - Year 1		62,500,000	20 YR
Public Protection	PSC Building - Additional Funding		1,100,000	20 YR
Finance	KIA-Fund A Waste Water	9,351,000		20 YR
Finance	KIA-Fund A Waste Water		5,600,000	20 YR
Finance	KIA-Fund F Drinking Water		5,000,000	20 YR
Economic Development	EDB - Pool		7,000,000	20 YR
Finance	EDB - Pool	29,051,000		20 YR
Finance	Winchester State Office Building		2,500,000	20 YR
TOTALS		68,402,000	500,877,000	

POSTSECONDARY EDUCATION

**CHART II
Governor's 1998-2000 Budget Recommendation
State Funded Capital Construction Projects
(General Fund Debt Service)**

Deferred Maintenance and Government Mandates Pools		
University Projects to be Identified by CPE	20,613,000	
KCTCS Pool	<u>4,387,000</u>	25,000,000
KCTCS Projects Pool		49,502,000
Commonwealth Virtual University Technology Pool		30,000,000
KCTCS: Regional Postsecondary Education Centers		25,000,000
Research Equipment/Laboratory Replacement/Acquisition		26,250,000
Major Renovations and New Facilities		
NKU - Natural Science Building	36,500,000	
MoSU Breckinridge Hall Renovation	14,000,000	
UK - Mechanical Engineering Facility	19,600,000	
MuSU - Carr Health/Cutchin Renovation	10,184,000	
EKU - Student Service/Classroom Building	20,000,000	
KSU - Hill Student Center Renovation/Expansion	8,250,000	
UL - Research Building (Belknap Campus)	32,040,000	
WKU - Postsecondary Education Improvement Act of 1997 Facility	18,500,000	
UK - Aging/Allied Health Building - Phase II	<u>20,000,000</u>	
		<u>179,074,000</u>
Total State Funded Recommendation		<u><u>334,826,000</u></u>

Postsecondary Education

Chart II identifies nine individual capital projects presenting the highest priorities for new construction or major renovation at each of the state's public universities. These total \$179,074,000 in state General Fund bond support. The new Kentucky Community and Technical College System (KCTCS) is recommended to receive line-items totaling \$49,502,000 (listed in Chart I above) for community colleges and Kentucky Tech projects on numerous campuses, as well as \$25,000,000 in new bond support for regional postsecondary education centers identified in Chart I. Beyond these specific line-item projects, three major initiatives are also endorsed with state General Fund-supported bonds. The first is a Deferred Maintenance and Government Mandates Pool including separately identified pools for both the university system and the KCTCS system (university projects - \$20,613,000; KCTCS - \$4,387,000; total \$25,000,000). The purpose of this new pool is to make substantial progress on a sizable backlog of statewide maintenance needs. To accomplish this, a dollar for dollar matching relationship is recommended from non-state funds for each project selected. The second major initiative is the creation of a Commonwealth Virtual University (CVU) Technology Pool in the amount of \$30,000,000. Kentucky's creation of a CVU was contemplated during the passage of House Bill 1 with the objective of broadening access to high quality postsecondary education through new technology. The third new initiative involves a \$26,250,000 pool of funds to be shared by the University of Kentucky and the University of Louisville for research equipment, major replacement and new acquisitions for scientific instruments.

**Chart III
Bond Fund Recommended
(Agency Fund Debt Service)**

AGENCY	PROJECT	REAUTHORIZATIONS	PROJECT SIZE	FINANCE TERM	DEBT SERVICE
Kentucky River Authority	Kentucky River Water Storage Enhancements	2,000,000	2,000,000	20 YR	388,000
Postsecondary Education	Agency Bond Pool		35,000,000	20 YR	3,527,000
Postsecondary Education	UK Stadium Expansion		24,000,000	20 YR	2,280,000
Postsecondary Education	EKU Law Enforcement Complex		20,000,000	20 YR	2,016,000
Postsecondary Education	WKU/KCTCS Regional Postsecondary Education Center South-Phase I - Glasgow		1,525,000	20 YR	150,000
KHEAA	KHEAA Building		9,000,000	20 YR	855,000
TOTALS		2,000,000	91,525,000		9,216,000

Chart III above identifies four specific projects for postsecondary education including a \$35,000,000 pool of agency funded bonds identical to that recommended in the 1996-98 budget permitting universities to move forward selectively, on a priority basis from their own resources, during the 1998-2000 interim. Projects will be selected from among those identified in the budget document and Appropriations Bill for "restricted fund support." In addition, a line-item \$24,000,000 Football Stadium Expansion for the University of Kentucky is recommended, as well as a new \$20,000,000 Law Enforcement Basic Training Complex at Eastern Kentucky University. A \$1,525,000 agency fund-supported bond project for the Western Kentucky University/KCTCS Regional Postsecondary Education Center South Phase I at Glasgow is also endorsed. Not included in the postsecondary education summary totals, but also recommended, is a new office building for the Kentucky Higher Education Assistance Authority funded by a combination of \$9,000,000 in agency fund-supported bonds plus \$1,710,000 in direct agency fund support.

Public Safety

The preceding charts also identify \$77,300,000 in recommended public safety projects including: for the Department of Juvenile Justice – the construction of three new secure juvenile detention facilities; a replacement maximum security juvenile justice facility; expansion of the Breathitt County Detention Center; for the Department of Corrections – funding for design of a major new prison to hold 1,800 inmates; a major expansion of the Kentucky Correctional Institution for Women; a replacement dormitory at Blackburn Correctional Complex for a unit that has been razed; a replacement for the Northpoint Training Center Water System; for the Kentucky State Police – support for a new radio system for the Kentucky State Police and for Disaster and Emergency Services (Military Affairs) operations; as well as sophisticated new technology for the State Police including the Integrated Criminal Apprehension Program (ICAP) and Kentucky Accident Reporting System (CRASH). Agency fund bonds (\$20,000,000) are recommended to construct a Law Enforcement Basic Training Complex for the Department of Criminal Justice Training at Eastern Kentucky University. In addition to bond projects, General Fund (cash) support is provided for construction of a new execution building for the Department of Corrections. Also, the Northern Kentucky Juvenile Treatment Facility will receive funds for an HVAC replacement (\$558,000) and a maintenance pool increase of \$500,000.

Other Major Projects

Major new bond support of \$62,500,000 is recommended for the School Facilities Construction Commission in addition to \$30,000,000 in reauthorized bonds for that public school financing authority. The Kentucky River Authority is recommended for \$2,000,000 in additional agency fund-supported bonds as well as a reauthorization of \$2 million in bonds previously committed by the General Assembly. A new state office building in Winchester/Clark County is recommended in the amount of \$2,500,000 from General Fund-supported bonds. The Economic Development Bond program will receive \$7,000,000 in additional authorization; and the Public Service Commission is recommended for \$1,100,000 in additional bond authority to finish construction of its previously authorized building. Numerous less costly projects are also recommended from General Fund support. Among the most significant of these is a major addition to Breaks Interstate Park (\$1,350,000) to be matched with a like amount by the Commonwealth of Virginia. Other projects recommended are property acquisition in Bowling Green at the site of the Kentucky Advanced Technology Institution - \$265,000; safety monitoring equipment at Maxey Flats (Fleming County) for the Natural Resources and Environmental Protection Cabinet; and community projects including the intergenerational Oak and Acorn Center in Jefferson County - \$250,000; Ben C. Clement Mineral Museum - \$169,000; Hancock County Emergency Vehicle Building - \$100,000; Caverna Memorial Hospital Renovation - \$350,000; both the Cast Center/New Directions Housing - \$250,000 and New Roof for Center for Women and Families - \$75,000 in Jefferson County; Breckinridge County Courthouse Elevator - \$150,000; Kentucky Advanced Technical Institute Wood Industries - \$100,000 in Bowling Green; Estill County Courthouse Renovation - \$200,000; Lancaster City Hall Renovation - \$200,000; Ballard County Jail - \$100,000; Campbell County Training Center - \$240,000; Scott County Vegetable Processing - \$50,000; statewide Child Advocacy/Spouse Abuse Projects - \$1,500,000; and Letcher County Athletic Project - \$29,000.

New State Office Building

Funding is recommended for the construction of the first major state office building in Frankfort in over 20 years. This project encompasses design, site preparation and construction of an approximately 420,000 square foot structure. The building will serve as the primary office building for the Transportation Cabinet, which is currently housed in the State Office Building and several smaller buildings in Frankfort. A new Road Fund bond authorization of \$68,100,000 is to be combined with \$18,900,000 of previously authorized General Fund-supported bonds for an all funds total project scope of \$87,000,000. The \$18,900,000 portion of the funding will be derived from the proceeds of previously authorized General Fund bonds for renovation projects relating to the existing State Office Building. Expenditure commitments from the \$21,900,000 in previously authorized bond proceeds have been \$3,000,000 to date leaving a residual of \$18,900,000 recommended for authorization for this

new project. The first phase of that renovation project was authorized in the 1994-96 biennial budget at \$10,000,000; phase two of the renovation project for the same building was authorized in the 1996-98 biennial budget at \$11,900,000 for fiscal year 1997. However, that original renovation project has now been temporarily halted due to major cost overruns encountered during the bid process and will be deferred until this new building project can be completed and the current occupants (primarily Transportation Cabinet employees) relocated.

Maintenance and Renovation

As a matter of policy, the Executive Budget recommendation has continued, initiated, or improved maintenance pools for all Cabinets and Departments of the Executive Branch. These pools of maintenance funds are restricted for expenditure on projects costing less than \$400,000 each unless given separate line-item attention. Among the projects given that high priority attention are the aforementioned Emergency Repair, Maintenance and Replacement Fund at \$8,000,000 in new funding for the biennium, as well as \$8,000,000 in new funding for the Capital Construction and Equipment Purchase Contingency Fund. These amounts are the same as provided in the 1996-1998 budget and will replenish these two statutory funds which serve statewide purposes. Importantly, the statewide Deferred Maintenance Fund, first established in the 1996-98 Executive Budget, is being recommended for a new \$3,500,000 appropriation paralleling that provided initially. Moreover, this fund is proposed to be given statutory status by the 1998 General Assembly as recommended by the Capital Projects and Bond Oversight Committee. It is used for maintenance projects (no new construction) of statewide import and/or to provide a source of maintenance funds when agency-specific resources are depleted or non-existent, upon selection by the Secretary of the Finance and Administration Cabinet.

Among line-item projects supported for maintenance and renovation funding are: repair of the State Capitol Dome - \$698,000 in additional funding in addition to \$1,802,000 provided by the 1996 General Assembly; Capital Plaza Complex Repairs Phase I - \$2,400,000 of what will be a multi-year, multi-million dollar renovation effort; Repair of the Capitol Complex Parking Structure - \$1,000,000 to repair the deteriorated six level structure that has seen only patchwork attention in previous biennia; replacement of the primary electrical line at the Kentucky Horse Park; a new roof replacement project pool for Mental Health/Mental Retardation facilities; fire alarm system replacements for the Department of Corrections; emergency generators for both the Glasgow ICF/MR facility and Central State Hospital; and the most significant increase in maintenance funding for the Kentucky Schools for the Deaf and Blind, the FAA Leadership School, and the Department of Education in recent memory (\$1,200,000 in total).

Completing What We Have Started

Another policy concern receiving attention is the completion of projects already initiated by previous General Assemblies that require additional financial support for a variety of reasons. Projects in this category include the provision of \$958,000 for the network/communications component of the new Kentucky History Center. This important feature of the History Center had been deferred initially due to cost considerations when construction contracts were awarded. The Paducah Community College Engineering building will receive \$709,000 in infrastructure funding to complete and complement the private funding dedicated to its construction by the 1996 General Assembly. Related to this Paducah Community College initiative are appropriations recommended for Engineering Labs (\$734,000) and the Paducah Community College Library (\$1,150,000). The completion of construction of additional horse stalls at the Kentucky Horse Park for the purpose of generating additional revenues associated with event activity has been funded in the amount of \$435,000 and Kentucky Educational Television's acquisition of Channel 15 in Jefferson County (already contracted) is finalized with a \$1,100,000 appropriation.

Technology

Another area of continued emphasis is the placement of new and replacement technology in universities, technical schools, state offices, and field operations. (The Empower Kentucky program authorized as the Technology Trust Fund in the 1996 General Assembly has been recommended for additional funding as part of the Surplus Expenditure Plan described elsewhere.)

Consistent with the national imperative to be computer ready for the "Year 2000 Conversion" phenomenon, Kentucky state government directed early in the 1996-98 biennium that all agencies and service units undertake Year 2000 Conversion efforts immediately. A number of agencies have now indicated a need for some financial assistance in accomplishing that transition. Consequently, \$6,700,000 in General Funds is recommended to facilitate the conversion on a highest priority basis. Smaller technology improvements are provided to the Revenue Cabinet (\$425,000) and the Department of Parks (\$244,000) with other technology improvements described in individual agency budget pages.

Matching Federal Funds

The budget recommendation earmarks additional matching funds for federal/state partnership programs such as the Kentucky Infrastructure Authority (\$5,600,000 in the Fund A Wastewater program and \$5,000,000 for the Fund F Drinking Water program) in new bond authorizations and the Flood Control (Corps of Engineers) Matching program in the Department for Local Government (\$5,000,000 in new bond authorization). Each of these programs leverage significant federal appropriations and represent ongoing needs for statewide purposes.

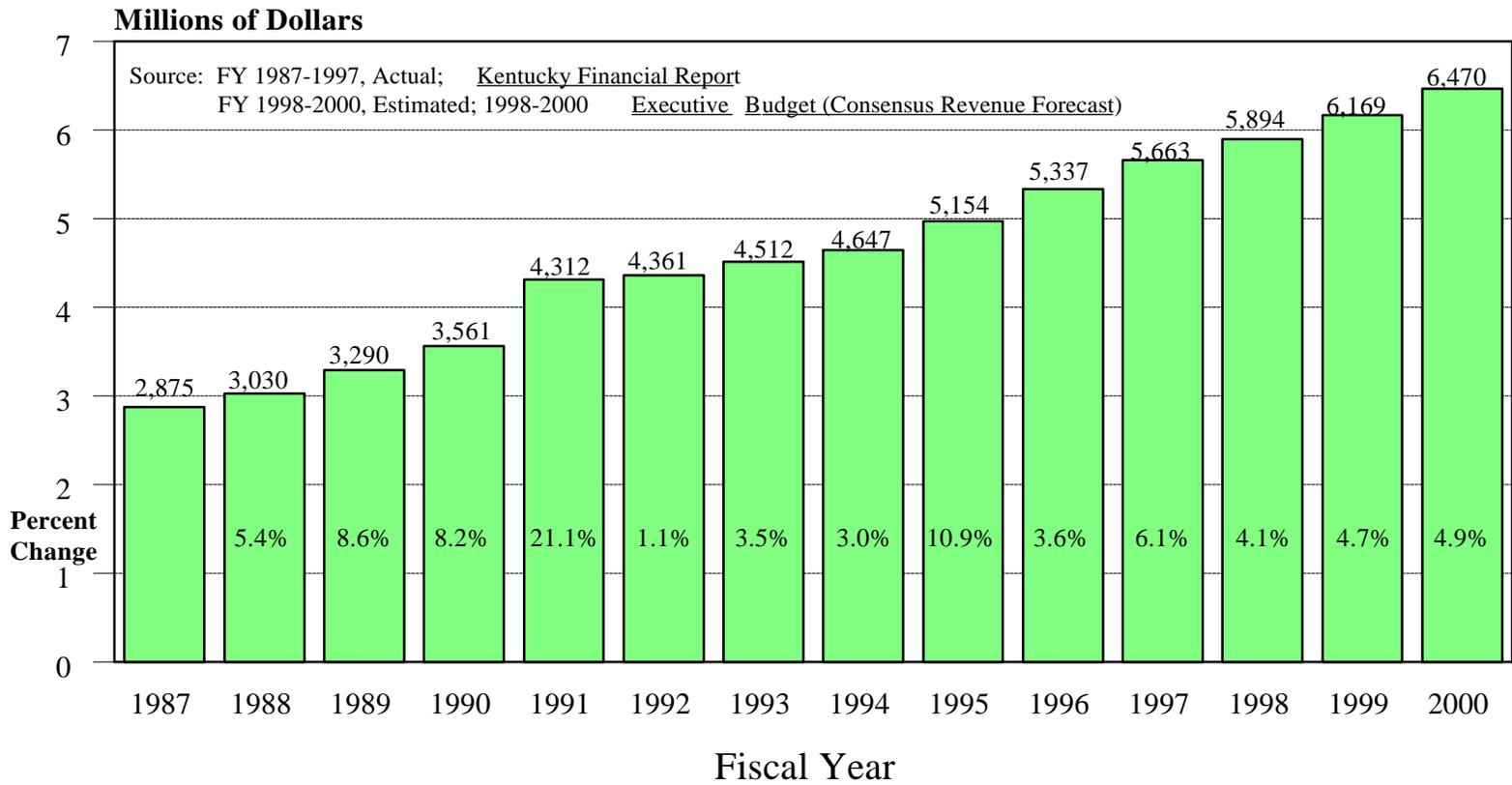
Capital Outlay

A number of agencies including the Division of Forestry in the Natural Resources and Environmental Protection Cabinet and the Department of Parks as well as the Kentucky Horse Park in the Tourism Development Cabinet are recommended to receive non-recurring General Fund dollars to support equipment, vehicle, and furnishings acquisitions in the capital budget. These are provided in the following amounts: Forestry - \$500,000; Parks - \$2,000,000; and Horse Park - \$100,000. Similar infusions of capital outlay funds were provided in the 1996-1998 budget for these agencies to help them "catch up" with past deficiencies.

General Fund Revenue Receipts

Fiscal Years 1987-2000

(millions of dollars - rounded)

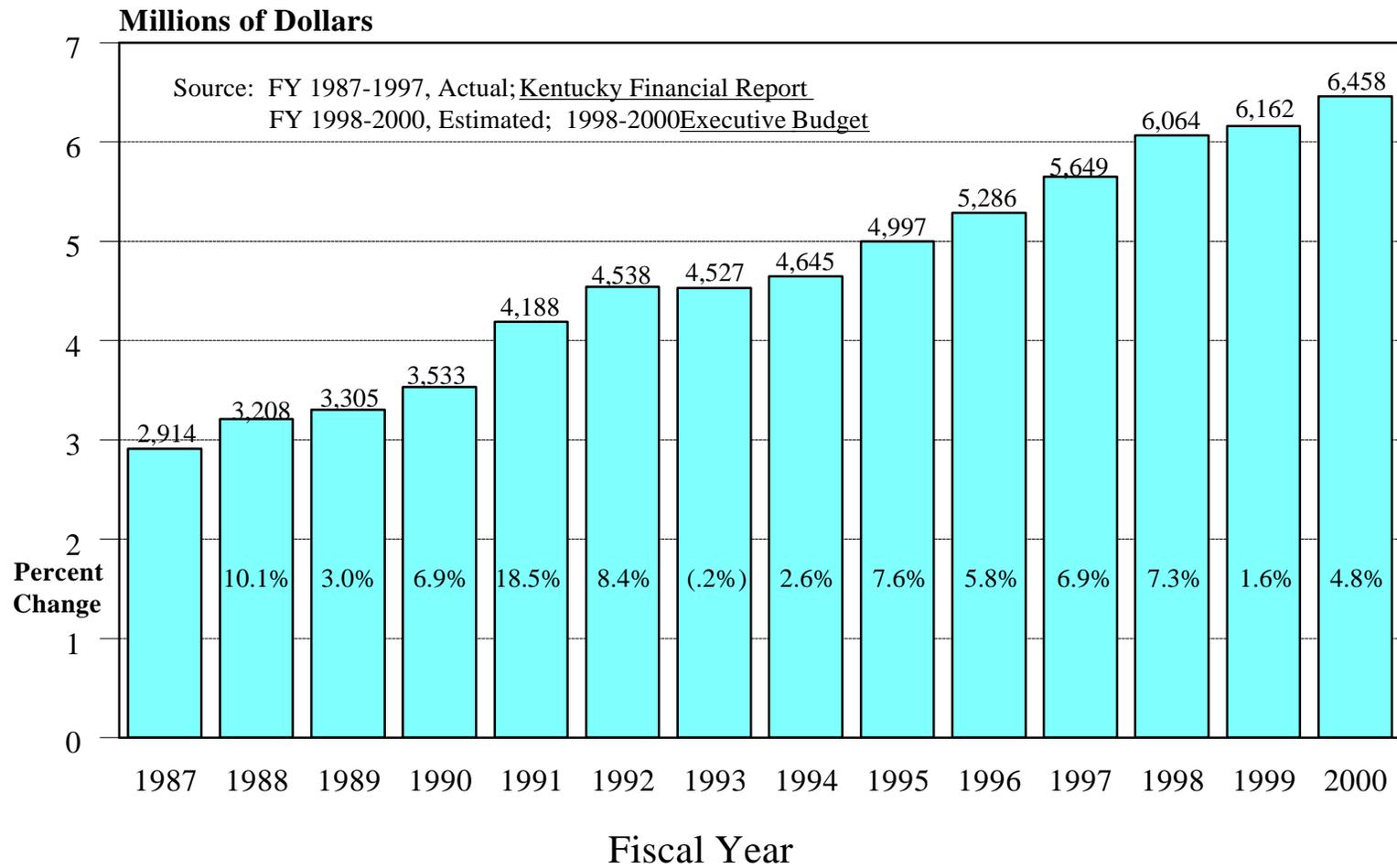


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General Fund Expenditures

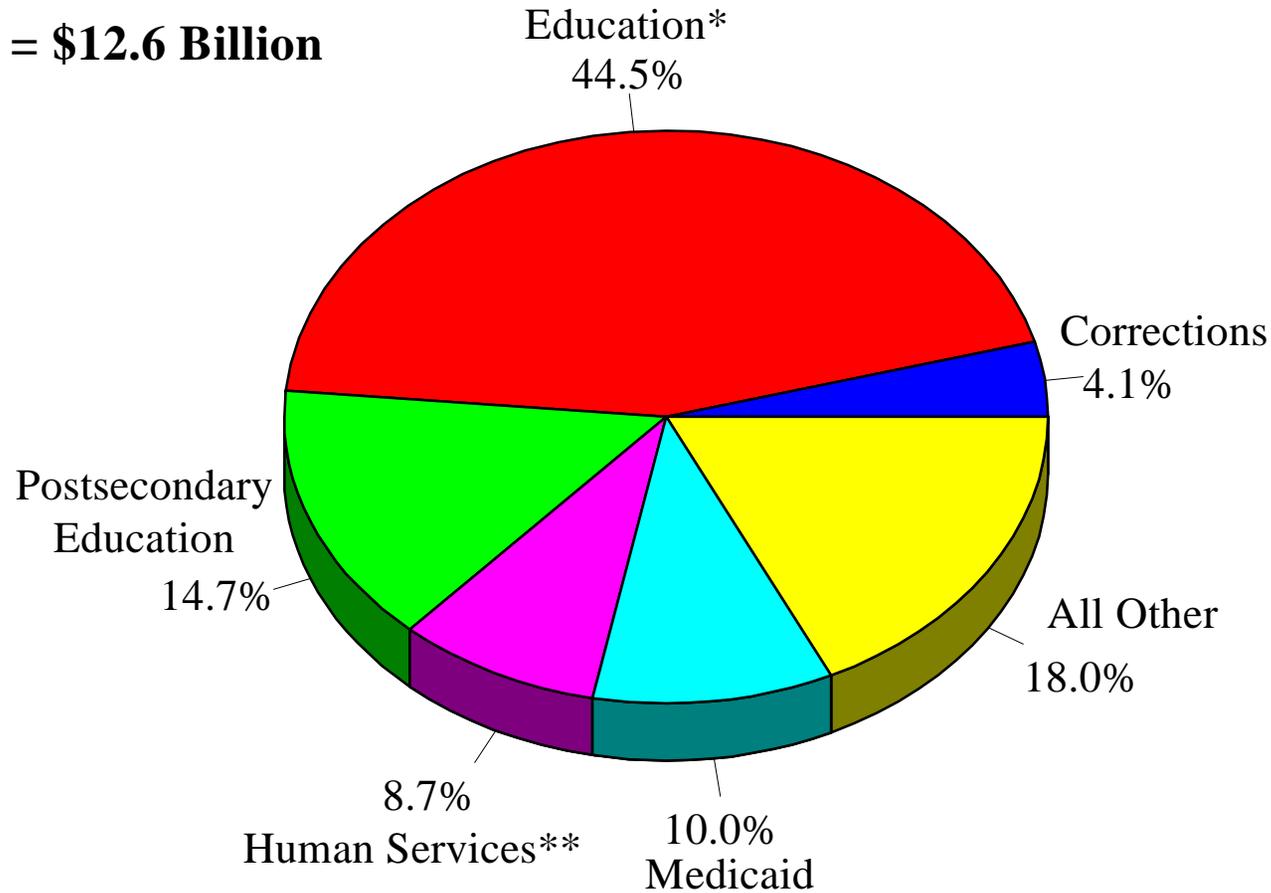
Fiscal Years 1987-2000

(millions of dollars - rounded)



Fiscal Years 1999 and 2000 Distribution of General Fund Appropriations

Total = \$12.6 Billion



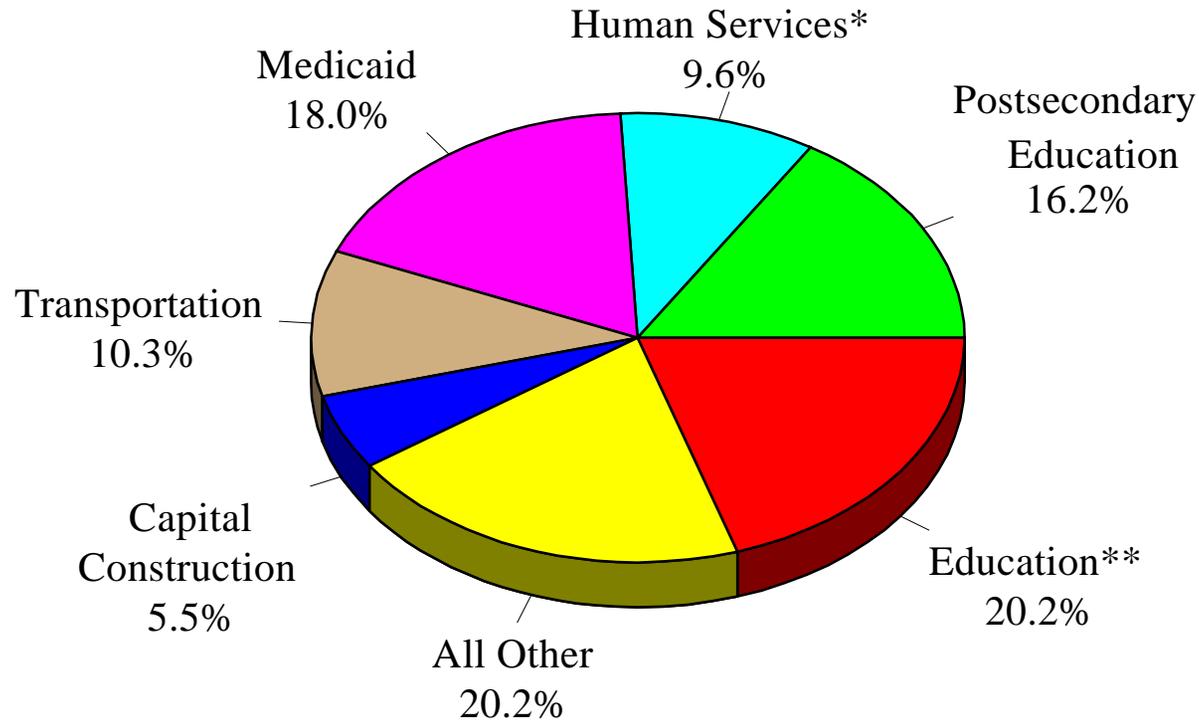
* Includes the Department of Education, the Teachers' Retirement System, and the School Facilities Construction Commission.

** Includes the Cabinets for Families and Children and Health Services (net of Medicaid).

Source: 1998-2000 Executive Budget.

Fiscal Years 1999 and 2000 Distribution of All Funds Appropriations

Total = \$31.4 Billion



* Includes the Cabinets for Families and Children and Health Services (net of Medicaid).

** Includes the Department of Education, the Teachers' Retirement System, and the School Facilities Construction Commission.

Source: 1998-2000 Executive Budget t.

**Maximum Number of Permanent Executive Branch
Employees Authorized in the 1998-2000 Executive Budget**

Cabinet/Department	1998-2000 Permanent Employment Total *
Economic Development	130
Education, Arts and Humanities	
Department of Education	672
Arts and Humanities	457
Subtotal - Education, Arts and Humanities	1,129
Families and Children	5,880
Finance and Administration	1,223
Health Services	3,664
Justice	6,914
Labor	599
Natural Resources and Environmental Protection	1,618
Personnel	158
Public Protection and Regulation	1,210
Revenue	1,033
Tourism Development	2,079
Transportation	6,002
Workforce Development	2,370
Government Operations	
Executive Office of the Governor	158
Secretary of State	39
Board of Elections	20
State Treasurer	36
Attorney General	251
Unified Prosecutorial System	922
Auditor of Public Accounts	149
Agriculture	321
Subtotal - Constitutional Officers	1,896
Registry of Election Finance	18
Military Affairs	341
Local Government	69
Personnel Board	6
Boards and Commissions	121
Executive Branch Ethics Commission	4
Human Rights Commission	38
Commission on Women	4
Kentucky Retirement Systems	147
Governmental Services Center	19
Kentucky Kare Health Insurance Authority	13
Kentucky Veterans Center	424
Council on Postsecondary Education	43
Subtotal - Government Operations	3,143
Executive Branch Total	37,152

* Includes permanent, full-time and permanent, part-time.

EMPOWER Kentucky Benefits 1998-2000 Executive Budget

In Governor Patton's Strategic Agenda, one of the five major strategies is the strengthening of the financial condition of state government. Along with a structurally-balanced budget and tax policy, EMPOWER Kentucky is one of the Governor's key initiatives in achieving that goal.

In Part X of the 1996-98 Appropriations Act for the Executive branch, the selection of projects from the Technology Trust Fund was to have as its foremost criteria, **demonstrable cost savings on a recurring basis** through the employment of technology and training which would improve service delivery. In accordance with the Appropriations Act, a Redesign Steering Committee, comprised of both Executive Branch and General Assembly members, advised the Secretary of the Governor's Executive Cabinet on which projects were recommended to be awarded funding from the \$103 million available to the Technology Trust Fund.

Two EMPOWER Kentucky projects were awarded full financing: Simplified Revenue Systems (\$36.1 million) and Simplified Administrative Services (\$51.1 million). Both projects provided significant, recurring benefits to the General Fund. Five other process initiatives were also endorsed and recommended for partial initial funding. Of those, one element of the Simplified Access process, the Transportation Delivery component, will have achievable savings. The revised estimates of those benefits are incorporated into Governor Patton's 1998-2000 Executive Budget. The General Fund benefits from these three initiatives amount to over \$25 million in fiscal year 1998, over \$46 million in fiscal year 1999, and over \$57 million in fiscal year 2000. In the eight years, from fiscal year 1997 through fiscal year 2004, the General Fund benefits are projected to grow to \$123 million per year, totaling \$548 million over that period.

Table 1 reflects the actual and projected General Fund benefits for the approved and fully funded EMPOWER Kentucky processes from fiscal year 1997 through fiscal year 2004.

Streamlining Kentucky State Government EMPOWER Kentucky - Simplified Administrative Services

The EMPOWER Kentucky Simplified Administrative Services project comprises the implementation of best practices, technology and training in the areas of materials management and financial management. From July, 1996 through December, 1996, teams of state employees from across state government, combined with professional research advice and analysis, developed a new vision of how the Commonwealth should conduct its business operations in a more streamlined and effective manner. This most comprehensive examination of Kentucky state government's administrative processes led directly to the specific identification of administrative cost savings and increased investment income opportunities. The investment of \$51.1 million will provide the technology and training support for these more efficient business processes, and will result in a modern, government-wide Management Administrative and Reporting System (MARS).

Governor Patton's 1998-2000 Executive Budget includes General Fund cost savings totaling \$30 million across fiscal years 1998, 1999, and 2000. Moreover, additional General Fund income totaling \$14 million across the same three fiscal years will be realized from EMPOWER Kentucky's improved business processes. Including all fund sources (General Fund, Agency Fund, Road Fund, and Federal Fund), approximately \$55 million in cost savings across fiscal years 1998, 1999, and 2000 has been identified throughout the agencies of state government attributable to the implementation of these improved business processes. Implementation of a number of these business improvements has already begun throughout state government.

Analysis of Opportunities - Endorsement and Refinement

Beginning in July of 1996 and continuing through 1997, a tremendous amount of effort was devoted to identifying and pursuing new and improved business practices that would yield real cost savings while improving administrative

services within the Commonwealth. After six months of work, a "Business Case" incorporating the best, achievable opportunities was presented to the Redesign Steering Committee, and endorsed, in January of 1997. That Business Case estimated that the General Fund benefits of the Simplified Administrative Services process would be \$140.5 million from fiscal year 1997 through fiscal year 2004. As the state employees working on EMPOWER Kentucky began the second phase of the project in calendar year 1997, the Business Case was further analyzed by a team of state employees overseen by the Secretary of the Finance and Administration Cabinet. Each opportunity presented in the Business Case was examined in great detail for validity and application throughout the agencies of state government. Through that validation and refinement process, detailed cost savings for each Executive Branch Cabinet and department were calculated using the best available data and refined assumptions. The conclusions from the revised savings analysis were that the Simplified Administrative Services process will total \$144.6 million in General Fund benefits over the eight year period.

EMPOWER KENTUCKY - GENERAL FUND BENEFITS
(in millions of dollars)

APPROVED/FUNDED PROCESSES	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	TOTAL
REVENUE									
Simplified Revenue Systems	5.2	18.2	28.5	37.5	50.4	70.5	92.3	94.9	397.5
Simplified Administrative Services		4.9	4.4	5.0	5.4	5.4	5.5	5.5	36.1
SUB-TOTAL	5.2	23.1	32.9	42.5	55.8	75.9	97.8	100.4	433.6
COST SAVINGS									
Simplified Administrative Services	0.5	2.6	12.8	14.2	16.6	19.7	20.6	21.5	108.5
Simplified Access-Transportation Delivery			0.2	1.0	1.0	1.1	1.1	1.2	5.6
SUB-TOTAL	0.5	2.6	13.0	15.2	17.6	20.8	21.7	22.7	114.1
TOTAL INCREASE TO THE GENERAL FUND FROM FUNDED PROCESSES	5.7	25.7	45.9	57.7	73.4	96.7	119.5	123.1	547.7

Description of EMPOWER Kentucky Initiatives Leading to Cost Savings

The cost savings from changing State government's administrative business processes fall into four basic areas:

- Warehouse Optimization
- Purchasing Goods and Commodities Cheaper
- Procurement Card
- Other Financial Management Initiatives

Warehouse Optimization

The agencies of the Commonwealth of Kentucky reported that there was about 1.4 million square feet of state-owned and leased space utilized for warehouse, storage and distribution functions. After examination of the information, in combination with the adoption of best business practices for materials management, an assessment was made that the Commonwealth could reduce the amount of space devoted to these activities by about 690,000 square feet over the next three years. Significant cost savings will be achieved by implementing "warehouse optimization" techniques, including improved purchasing, storage, distribution and inventory practices. The warehouse optimization analysis concluded that the Executive Branch agencies have about \$12.8 million in inventory stored at these sites that is in excess of immediate or emergency need that will not need to be immediately replaced. Moreover, the recurring savings of changing past warehouse practices will amount to about \$6.7 million per year upon full implementation. Of these amounts, about \$15.2 million is General Fund savings in the current fiscal year and the 1998-2000 biennium.

Purchasing Goods and Commodities Cheaper

The Simplified Administrative Services process examined the Commonwealth's purchasing practices at both the central government and agency levels. The analysis identified a number of opportunity areas that would achieve cost savings without reducing the quantity of goods and commodities purchased by state agencies. This opportunity will essentially provide the same base quantity of goods and commodities at a more inexpensive rate. One area of emphasis is a greater use of prime vendor contracts, such as the one recently completed for office supplies, which will result in a General Fund savings of approximately \$1.1 million per year. Another area of cost savings is the inclusion of payment discount provisions within the Commonwealth's price contracts, where vendor payments made within a specified time period will result in a true cost savings. This is an area that is ripe with potential, since less than one percent of the Commonwealth's 2,200 price contracts offer a prompt payment discount. The General Fund cost savings from this area totals about \$8.5 million for the current fiscal year and the 1998-2000 biennium.

Procurement Card

The Commonwealth of Kentucky began to pilot the use of a procurement card in a few state agencies in 1995. The goal was to provide state agencies with a mechanism to make small purchases and payments in a way that substantially reduced the amount of work necessary to do so. The success found in these pilots, combined with improvements in the process, has led to a government-wide implementation of the procurement card that is underway. A detailed analysis of each state agency's purchasing and payment transactions that can be replaced by the more streamlined procurement card process was done to calculate the potential cost savings of a government-wide implementation. These cost savings are to be phased in over the next 18 months, and will yield General Fund savings in excess of \$6.9 million over the next two years.

Other Financial Management Processes

The remaining elements of the Simplified Administrative Services cost savings involve the movement away from paper financial reports from the Commonwealth's accounting system to the use of electronic, online reports. Also,

the Executive Branch's budget preparation and allotment processes are also expected to be streamlined - mainly through the implementation of the Commonwealth's new Management Administrative and Reporting System. In combination these two initiatives will provide partial year savings in fiscal year 2000 of about \$160,000.

Treatment of Cost Savings in State Agency Budgets

One unique element of Governor Patton's EMPOWER Kentucky initiative compared to past state government streamlining efforts is the capture of these administrative savings for the purpose of reallocating them to higher priority uses through the biennial budget process. In the 1998-2000 Executive Budget, the General Fund savings from the Simplified Administrative Services project were calculated for all Executive Branch agencies, excluding Postsecondary Education institutions, within Kentucky state government. Eighty-one separate General Fund appropriation units are affected. After the detailed calculations of the Simplified Administrative Services cost savings were done by the EMPOWER Kentucky teams, the application of those cost savings to the agency budgets was done. The General Fund cost savings were subtracted from the recommendations for "continuation" budgets, agency by agency. This was in keeping with the overall concept that the cost savings are achievable and represent reductions in costs and reductions in agency budgets, while maintaining necessary services.

Within the proposed 1998-2000 Appropriations Bill for the Executive Branch, the cost savings from the Simplified Administrative Services revised business processes have been incorporated into the individual appropriation amounts for the General Fund only. The EMPOWER Kentucky Cost Savings table details the estimated amount of savings for each fund source, by appropriation unit, by fiscal year. The values of the cost savings from the non-General Fund sources remain within those appropriation amounts for allocations to compatible priority uses.

The total estimated cost savings for the EMPOWER Kentucky Simplified Administrative Services process for fiscal years 1998, 1999, and 2000 are:

EMPOWER Kentucky-Simplified Administrative Services

	Fiscal Year 1998	Fiscal Year 1999	Fiscal Year 2000
Executive Branch Grand Total			
General Fund	2,610,500	12,818,300	14,238,600
Agency Fund	606,700	3,666,300	5,782,600
Federal Fund	415,100	1,608,800	2,512,500
Road Fund	106,400	6,445,700	4,166,300
TOTAL	3,738,700	24,539,100	26,700,000

EMPOWER Kentucky-Simplified Administrative Services

	Fiscal Year 1998	Fiscal Year 1999	Fiscal Year 2000
Cost Savings by Major Business Process:			
Warehouse Optimization	2,641,300	13,732,300	8,324,200
Purchasing Goods and Commodities Cheaper	1,097,400	6,649,600	9,577,900
Procurement Card	0	3,971,100	8,324,000
Other Financial Management	0	186,100	473,900
Grand Total	3,738,700	24,539,100	26,700,000

**EMPOWER KENTUCKY
SIMPLIFIED ADMINISTRATIVE SERVICES
COST SAVINGS**

	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
GOVERNMENT OPERATIONS			
Executive Office of the Governor			
Office of the Governor			
General Fund	3,800	9,400	11,200
Governor's Office for Policy and Management			
General Fund	1,200	2,900	3,500
Secretary of State			
General Fund		2,700	3,200
Board of Elections			
General Fund		700	900
Treasury			
General Fund		2,000	2,300
Attorney General			
General Fund		27,500	43,800
Agency Fund		11,200	15,400
Federal Fund		5,300	7,400
Subtotal		<u>44,000</u>	<u>66,600</u>
Unified Prosecutorial System			
Commonwealth's Attorneys			
General Fund		45,100	61,000
Federal Fund		5,000	6,800
Subtotal		<u>50,100</u>	<u>67,800</u>
County Attorneys			
General Fund		12,000	16,200
Auditor of Public Accounts			
General Fund		7,700	15,100
Agriculture			
General Fund		26,900	45,000
Agency Fund		6,300	9,100
Federal Fund		3,300	4,800
Subtotal		<u>36,500</u>	<u>58,900</u>
Military Affairs			
General Fund	10,500	305,500	293,700
Agency Fund		14,700	28,100
Federal Fund		26,500	44,600
Subtotal	<u>10,500</u>	<u>346,700</u>	<u>366,400</u>
Personnel Board			
General Fund	200	500	600

**EMPOWER KENTUCKY
SIMPLIFIED ADMINISTRATIVE SERVICES
COST SAVINGS**

	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
Local Government			
General Fund	2,100	5,100	6,100
Commission on Human Rights			
General Fund	1,200	3,100	3,600
Commission on Women			
General Fund	100	400	400
Registry of Election Finance			
General Fund	1,200	2,900	3,500
Governmental Services Center			
Agency Fund	500	4,200	6,900
Executive Branch Ethics Commission			
General Fund	200	500	600
Kentucky Veterans' Center			
General Fund	230,000	413,200	283,600
TOTAL-GOVERNMENT OPERATIONS			
General Fund	250,500	868,100	794,300
Agency Fund	500	36,400	59,500
Federal Fund		40,100	63,600
TOTAL	<u><u>251,000</u></u>	<u><u>944,600</u></u>	<u><u>917,400</u></u>
ECONOMIC DEVELOPMENT			
Secretary			
General Fund		27,300	53,000
Administration and Support			
General Fund	3,900	11,700	20,600
Agency Fund		3,400	4,300
Subtotal	<u>3,900</u>	<u>15,100</u>	<u>24,900</u>
Job Development			
General Fund		3,700	6,700
Financial Incentives			
General Fund		2,500	4,900
Agency Fund		800	1,300
Subtotal		<u>3,300</u>	<u>6,200</u>
Community Development			
General Fund	400	4,500	7,900

**EMPOWER KENTUCKY
SIMPLIFIED ADMINISTRATIVE SERVICES
COST SAVINGS**

	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
TOTAL-ECONOMIC DEVELOPMENT			
General Fund	4,300	49,700	93,100
Agency Fund		4,200	5,600
TOTAL	<u><u>4,300</u></u>	<u><u>53,900</u></u>	<u><u>98,700</u></u>
EDUCATION			
Executive Policy and Management			
General Fund	600	22,500	29,800
Agency Fund	600	15,800	16,600
Subtotal	<u>1,200</u>	<u>38,300</u>	<u>46,400</u>
Management Support Services			
General Fund	13,900	141,300	186,300
Agency Fund	900	4,300	6,800
Federal Fund	5,000	9,500	13,100
Subtotal	<u>19,800</u>	<u>155,100</u>	<u>206,200</u>
Learning Results Services			
General Fund	1,700	75,000	75,000
Agency Fund	200	6,600	0
Federal Fund	1,300	31,900	28,200
Subtotal	<u>3,200</u>	<u>113,500</u>	<u>103,200</u>
Learning Support Services			
General Fund	5,700	125,000	190,000
Agency Fund	700	11,000	13,900
Federal Fund	4,100	32,600	86,100
Subtotal	<u>10,500</u>	<u>168,600</u>	<u>290,000</u>
TOTAL-EDUCATION			
General Fund	21,900	363,800	481,100
Agency Fund	2,400	37,700	37,300
Federal Fund	10,400	74,000	127,400
TOTAL	<u><u>34,700</u></u>	<u><u>475,500</u></u>	<u><u>645,800</u></u>
EDUCATION, ARTS, AND HUMANITIES			
Office of the Secretary			
General Fund	100	400	400
Kentucky Arts Council			
General Fund	300	3,700	5,900
Agency Fund	200	1,300	1,700
Federal Fund	200	1,100	1,600
Subtotal	<u>700</u>	<u>6,100</u>	<u>9,200</u>

**EMPOWER KENTUCKY
SIMPLIFIED ADMINISTRATIVE SERVICES
COST SAVINGS**

	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
Teachers' Retirement System			
Agency Fund	2,400	64,600	21,500
Deaf and Hard of Hearing			
General Fund		1,700	2,800
Agency Fund	100	3,200	4,900
Subtotal	<u>100</u>	<u>4,900</u>	<u>7,700</u>
Kentucky Heritage Council			
General Fund		100	100
Agency Fund	200	600	900
Federal Fund	200	900	1,200
Subtotal	<u>400</u>	<u>1,600</u>	<u>2,200</u>
Kentucky Educational Television			
General Fund	3,900	80,800	146,000
Agency Fund	600	9,700	15,900
Federal Fund	600	10,500	17,000
Subtotal	<u>5,100</u>	<u>101,000</u>	<u>178,900</u>
Kentucky Historical Society			
General Fund	1,000	2,400	2,900
Libraries and Archives			
General Fund	1,600	72,800	92,000
Agency Fund	600	8,200	14,500
Federal Fund	800	9,200	16,100
Subtotal	<u>3,000</u>	<u>90,200</u>	<u>122,600</u>
Environmental Education Council			
Agency Fund		200	300
TOTAL-EDUCATION, ARTS, AND HUMANITIES			
General Fund	6,900	161,900	250,100
Agency Fund	4,100	87,800	59,700
Federal Fund	1,800	21,700	35,900
TOTAL	<u><u>12,800</u></u>	<u><u>271,400</u></u>	<u><u>345,700</u></u>
FAMILIES AND CHILDREN			
Social Insurance-Administration			
General Fund	2,300	110,100	205,400
Agency Fund	300	20,800	37,700
Federal Fund	4,900	199,900	371,900
Subtotal	<u>7,500</u>	<u>330,800</u>	<u>615,000</u>

**EMPOWER KENTUCKY
SIMPLIFIED ADMINISTRATIVE SERVICES
COST SAVINGS**

	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
Administration Services			
General Fund	755,300	960,200	1,052,600
Agency Fund	46,400	143,200	183,100
Federal Fund	307,800	388,100	414,400
Subtotal	<u>1,109,500</u>	<u>1,491,500</u>	<u>1,650,100</u>
Social Services			
General Fund	3,300	69,300	123,400
Agency Fund	2,200	58,700	101,500
Federal Fund	5,200	144,600	253,700
Subtotal	<u>10,700</u>	<u>272,600</u>	<u>478,600</u>
TOTAL-FAMILIES AND CHILDREN			
General Fund	760,900	1,139,600	1,381,400
Agency Fund	48,900	222,700	322,300
Federal Fund	317,900	732,600	1,040,000
TOTAL	<u><u>1,127,700</u></u>	<u><u>2,094,900</u></u>	<u><u>2,743,700</u></u>
FINANCE AND ADMINISTRATION			
General Administration			
General Fund	1,500	101,800	143,800
Agency Fund	1,000	18,100	33,000
Federal Fund		100	300
Subtotal	<u>2,500</u>	<u>120,000</u>	<u>177,100</u>
Administration			
General Fund	8,600	38,200	56,200
Agency Fund	67,000	213,400	282,300
Subtotal	<u>75,600</u>	<u>251,600</u>	<u>338,500</u>
Facilities Management			
General Fund		31,700	52,800
Agency Fund	293,100	260,500	343,000
Subtotal	<u>293,100</u>	<u>292,200</u>	<u>395,800</u>
Information Systems			
Agency Fund	32,100	296,100	585,800
TOTAL-FINANCE AND ADMINISTRATION			
General Fund	10,100	171,700	252,800
Agency Fund	393,200	788,100	1,244,100
Federal Fund		100	300
TOTAL	<u><u>403,300</u></u>	<u><u>959,900</u></u>	<u><u>1,497,200</u></u>

**EMPOWER KENTUCKY
SIMPLIFIED ADMINISTRATIVE SERVICES
COST SAVINGS**

	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
HEALTH SERVICES			
Medicaid Services-Administration			
General Fund	500	2,800	5,400
Agency Fund		2,200	4,100
Federal Fund		4,300	8,100
Subtotal	<u>500</u>	<u>9,300</u>	<u>17,600</u>
Mental Health/Mental Retardation			
General Fund	29,700	312,100	521,400
Agency Fund	33,600	351,500	578,300
Federal Fund	500	7,000	11,100
Subtotal	<u>63,800</u>	<u>670,600</u>	<u>1,110,800</u>
Public Health			
General Fund	500	40,200	69,000
Agency Fund		20,600	35,100
Federal Fund		19,100	33,100
Subtotal	<u>500</u>	<u>79,900</u>	<u>137,200</u>
Children with Special Health Care Needs			
General Fund	1,300	60,000	104,900
Agency Fund	800	64,100	121,600
Federal Fund	100	19,100	34,300
Subtotal	<u>2,200</u>	<u>143,200</u>	<u>260,800</u>
Administrative Support			
General Fund	23,600	118,300	203,000
Agency Fund	9,000	39,800	69,000
Federal Fund	10,000	48,400	77,000
Subtotal	<u>42,600</u>	<u>206,500</u>	<u>349,000</u>
TOTAL-HEALTH SERVICES			
General Fund	55,600	533,400	903,700
Agency Fund	43,400	478,200	808,100
Federal Fund	10,600	97,900	163,600
TOTAL	<u><u>109,600</u></u>	<u><u>1,109,500</u></u>	<u><u>1,875,400</u></u>
JUSTICE			
Criminal Justice Training			
Agency Fund	3,700	28,900	47,500
State Police			
General Fund	27,700	2,898,000	1,637,100
Agency Fund	6,400	55,700	93,900
Federal Fund	3,600	31,000	52,100
Subtotal	<u>37,700</u>	<u>2,984,700</u>	<u>1,783,100</u>

**EMPOWER KENTUCKY
SIMPLIFIED ADMINISTRATIVE SERVICES
COST SAVINGS**

	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
Justice Administration			
General Fund	1,800	16,000	26,500
Agency Fund	1,100	7,400	11,400
Federal Fund		1,100	1,800
Subtotal	<u>2,900</u>	<u>24,500</u>	<u>39,700</u>
Juvenile Justice			
General Fund	10,700	162,100	300,600
Agency Fund	2,600	21,000	32,000
Federal Fund	5,900	60,800	103,600
Subtotal	<u>19,200</u>	<u>243,900</u>	<u>436,200</u>
Corrections			
Corrections Management			
General Fund		5,800	19,300
Federal Fund		600	1,200
Subtotal		<u>6,400</u>	<u>20,500</u>
Community Services and Local Facilities			
General Fund		41,500	66,200
Federal Fund		3,100	4,900
Subtotal		<u>44,600</u>	<u>71,100</u>
Adult Correctional Institutions			
General Fund	120,000	2,281,500	2,837,300
Agency Fund	24,600	676,400	678,200
Federal Fund		1,800	3,500
Subtotal	<u>144,600</u>	<u>2,959,700</u>	<u>3,519,000</u>
TOTAL-JUSTICE			
General Fund	160,200	5,404,900	4,887,000
Agency Fund	38,400	789,400	863,000
Federal Fund	9,500	98,400	167,100
TOTAL	<u><u>208,100</u></u>	<u><u>6,292,700</u></u>	<u><u>5,917,100</u></u>
LABOR			
General Administration and Support			
General Fund	500	1,500	2,200
Agency Fund	21,900	90,000	92,600
Subtotal	<u>22,400</u>	<u>91,500</u>	<u>94,800</u>
Workplace Standards			
General Fund	500	1,300	2,000
Agency Fund	137,800	229,800	123,200
Federal Fund		10,000	20,000
Subtotal	<u>138,300</u>	<u>241,100</u>	<u>145,200</u>

**EMPOWER KENTUCKY
SIMPLIFIED ADMINISTRATIVE SERVICES
COST SAVINGS**

	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
Workers Claims Agency Fund	8,600	46,200	64,900
Kentucky Occupational Safety and Health Review Commission Federal Fund		900	1,200
Kentucky Workers' Compensation Funding Commission Agency Fund		2,200	3,200
TOTAL-LABOR			
General Fund	1,000	2,800	4,200
Agency Fund	168,300	368,200	283,900
Federal Fund		10,900	21,200
TOTAL	<u><u>169,300</u></u>	<u><u>381,900</u></u>	<u><u>309,300</u></u>
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION			
General Administration and Support			
General Fund	4,400	31,300	57,300
Agency Fund	300	2,100	3,200
Federal Fund	1,000	7,300	18,200
Subtotal	<u>5,700</u>	<u>40,700</u>	<u>78,700</u>
Environmental Protection			
General Fund	11,500	128,300	203,200
Agency Fund	7,600	65,600	112,100
Federal Fund	5,200	69,200	100,000
Subtotal	<u>24,300</u>	<u>263,100</u>	<u>415,300</u>
Natural Resources			
General Fund	2,000	59,800	114,200
Agency Fund	1,300	17,500	29,900
Federal Fund	400	8,900	16,800
Subtotal	<u>3,700</u>	<u>86,200</u>	<u>160,900</u>
Surface Mining Reclamation and Enforcement			
General Fund	3,200	48,800	89,400
Federal Fund	5,900	78,700	142,500
Subtotal	<u>9,100</u>	<u>127,500</u>	<u>231,900</u>
Environmental Quality Commission			
General Fund		400	700

**EMPOWER KENTUCKY
SIMPLIFIED ADMINISTRATIVE SERVICES
COST SAVINGS**

	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
Nature Preserves Commission			
General Fund		4,800	9,200
Agency Fund		4,200	8,200
Federal Fund		100	300
Subtotal		<u>9,100</u>	<u>17,700</u>
TOTAL-NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION			
General Fund	21,100	273,400	474,000
Agency Fund	9,200	89,400	153,400
Federal Fund	12,500	164,200	277,800
TOTAL	<u><u>42,800</u></u>	<u><u>527,000</u></u>	<u><u>905,200</u></u>
PERSONNEL			
Personnel Cabinet			
General Fund	5,100	16,100	20,400
Agency Fund	5,500	22,100	29,600
TOTAL	<u><u>10,600</u></u>	<u><u>38,200</u></u>	<u><u>50,000</u></u>
POSTSECONDARY EDUCATION			
Council on Postsecondary Education			
General Fund		3,500	5,600
Kentucky Higher Education Assistance Authority			
Agency Fund	8,400	67,200	188,000
TOTAL-POSTSECONDARY EDUCATION			
General Fund		3,500	5,600
Agency Fund	8,400	67,200	188,000
TOTAL	<u><u>8,400</u></u>	<u><u>70,700</u></u>	<u><u>193,600</u></u>
PUBLIC PROTECTION AND REGULATION			
Board of Claims/Crime Victims Compensation			
General Fund		100	100
Agency Fund	200	900	1,200
Subtotal	<u>200</u>	<u>1,000</u>	<u>1,300</u>
Alcoholic Beverage Control			
General Fund		100	100
Agency Fund	900	4,200	5,800
Subtotal	<u>900</u>	<u>4,300</u>	<u>5,900</u>
Financial Institutions			
Agency Fund	1,400	12,600	18,700

**EMPOWER KENTUCKY
SIMPLIFIED ADMINISTRATIVE SERVICES
COST SAVINGS**

	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
Kentucky Racing Commission			
General Fund	100	400	600
Agency Fund	100	1,300	1,900
Subtotal	<u>1,400</u>	<u>12,600</u>	<u>18,700</u>
Housing, Buildings, and Construction			
General Fund	300	1,000	2,200
Agency Fund	300	116,300	62,100
Federal Fund	3,800	11,400	23,600
Subtotal	<u>4,400</u>	<u>128,700</u>	<u>87,900</u>
Insurance			
Agency Fund	9,100	38,400	52,000
Mines and Minerals			
General Fund	1,500	6,700	9,100
Agency Fund	1,800	7,500	16,100
Federal Fund	100	600	900
Subtotal	<u>3,400</u>	<u>14,800</u>	<u>26,100</u>
Public Advocacy			
General Fund	4,900	45,400	79,900
Agency Fund	2,800	38,800	37,400
Subtotal	<u>7,700</u>	<u>84,200</u>	<u>117,300</u>
Public Service Commission			
General Fund	3,700	14,600	19,600
Agency Fund		100	6,100
Federal Fund	100	500	700
Subtotal	<u>3,800</u>	<u>15,200</u>	<u>26,400</u>
Office of the Secretary			
General Fund	300		
Agency Fund	600	3,800	5,200
Subtotal	<u>900</u>	<u>3,800</u>	<u>5,200</u>
Board of Tax Appeals			
General Fund	200	800	1,000
TOTAL-PUBLIC PROTECTION AND REGULATION			
General Fund	11,000	69,100	112,600
Agency Fund	17,200	223,900	206,500
Federal Fund	4,000	12,500	25,200
TOTAL	<u><u>32,200</u></u>	<u><u>305,500</u></u>	<u><u>344,300</u></u>

**EMPOWER KENTUCKY
SIMPLIFIED ADMINISTRATIVE SERVICES
COST SAVINGS**

	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
REVENUE			
General Fund	34,400	911,100	575,100
Agency Fund	5,500	11,000	14,800
Federal Fund	200	400	400
TOTAL	<u>40,100</u>	<u>922,500</u>	<u>590,300</u>
TOURISM DEVELOPMENT			
Secretary			
General Fund	400	1,200	1,900
Travel Development			
General Fund	7,100	55,600	84,200
Federal Fund	0	400	600
Subtotal	<u>7,100</u>	<u>56,000</u>	<u>84,800</u>
Parks			
General Fund	1,008,600	1,913,700	2,524,400
Kentucky Horse Park			
General Fund	2,600	92,500	149,000
Kentucky State Fair Board			
Agency Fund	24,000	302,900	1,232,900
Fish and Wildlife Resources			
Agency Fund	6,800	247,400	466,500
TOTAL-TOURISM DEVELOPMENT			
General Fund	1,018,700	2,063,000	2,759,500
Agency Fund	30,800	550,300	1,699,400
Federal Fund		400	600
TOTAL	<u>1,049,500</u>	<u>2,613,700</u>	<u>4,459,500</u>
TRANSPORTATION			
Revenue Sharing			
Road Fund		233,400	403,100
Highways			
Road Fund	34,000	5,127,700	2,756,400
Agency Fund		10,000	18,200
Federal Fund		18,300	38,400
Subtotal	<u>34,000</u>	<u>5,156,000</u>	<u>2,813,000</u>

**EMPOWER KENTUCKY
SIMPLIFIED ADMINISTRATIVE SERVICES
COST SAVINGS**

	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
Vehicle Regulation			
Road Fund		80,200	123,200
Agency Fund		11,000	17,000
Federal Fund		2,000	2,800
Subtotal		<u>93,200</u>	<u>143,000</u>
General Administration and Support			
Road Fund	72,400	1,004,400	883,600
Agency Fund		77,100	133,700
Subtotal	<u>72,400</u>	<u>1,081,500</u>	<u>1,017,300</u>
TOTAL-TRANSPORTATION			
Road Fund	106,400	6,445,700	4,166,300
Agency Fund		98,100	168,900
Federal Fund		20,300	41,200
TOTAL	<u><u>106,400</u></u>	<u><u>6,564,100</u></u>	<u><u>4,376,400</u></u>
WORKFORCE DEVELOPMENT			
General Administration and Program Support			
General Fund	42,400	191,500	209,000
Agency Fund	1,300	9,400	14,800
Federal Fund	600	4,300	6,800
Subtotal	<u>44,300</u>	<u>205,200</u>	<u>230,600</u>
Technical Education			
General Fund	18,000	246,900	447,800
Agency Fund	11,300	67,700	99,700
Federal Fund	2,000	21,000	36,500
Subtotal	<u>31,300</u>	<u>335,600</u>	<u>584,000</u>
Adult Education and Literacy			
General Fund		2,300	6,100
Agency Fund		700	1,200
Federal Fund		4,300	7,600
Subtotal		<u>7,300</u>	<u>14,900</u>
Vocational Rehabilitation			
General Fund	2,600	17,900	30,200
Agency Fund		100	400
Federal Fund	14,400	108,200	182,300
Subtotal	<u>17,000</u>	<u>126,200</u>	<u>212,900</u>

**EMPOWER KENTUCKY
SIMPLIFIED ADMINISTRATIVE SERVICES
COST SAVINGS**

	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
Department for the Blind			
General Fund	500	9,800	20,400
Agency Fund	800	17,500	31,200
Federal Fund	2,100	42,200	75,300
Subtotal	<u>3,400</u>	<u>69,500</u>	<u>126,900</u>
Training and Reemployment			
Federal Fund	600	3,000	4,500
Employment Services			
General Fund		600	900
Agency Fund	2,800	13,400	20,500
Federal Fund	28,500	152,300	235,200
Subtotal	<u>31,300</u>	<u>166,300</u>	<u>256,600</u>
TOTAL-WORKFORCE DEVELOPMENT			
General Fund	63,500	469,000	714,400
Agency Fund	16,200	108,800	167,800
Federal Fund	48,200	335,300	548,200
TOTAL	<u><u>127,900</u></u>	<u><u>913,100</u></u>	<u><u>1,430,400</u></u>
EXECUTIVE BRANCH-GRAND TOTAL			
General Fund	2,610,500	12,818,300	14,238,600
Agency Fund	606,700	3,666,300	5,782,600
Federal Fund	415,100	1,608,800	2,512,500
Road Fund	106,400	6,445,700	4,166,300
TOTAL	<u><u>3,738,700</u></u>	<u><u>24,539,100</u></u>	<u><u>26,700,000</u></u>

Note: The Total General Fund savings figure immediately above includes \$185,300, \$317,100, and \$529,300, respectively, in fiscal years 1998, 1999, and 2000 derived from the Finance and Administration Cabinet's Internal Service funds whose source is attributable to General Funds from paying agencies.

COST SAVINGS BY MAJOR BUSINESS PROCESS:	<u>FY 1997-98</u>	<u>FY 1998-99</u>	<u>FY 1999-2000</u>
Warehouse Optimization	2,641,300	13,732,300	8,324,200
Purchasing Goods and Commodities Cheaper	1,097,400	6,649,600	9,577,900
Procurement Card		3,971,100	8,324,000
Other Financial Management		186,100	473,900
GRAND TOTAL	<u><u>3,738,700</u></u>	<u><u>24,539,100</u></u>	<u><u>26,700,000</u></u>

SUMMARY - AVAILABLE

FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
General Fund	5,726,429,700	6,162,565,000	6,458,202,000
General Fund Continuing Appropriation	253,990,900	243,093,300	244,255,200
General Fund Mandated Allotments	248,115,300		
General Fund Current Year	15,400,500		
General Fund Special	74,712,000		
Subtotal	6,318,648,400	6,405,658,300	6,702,457,200
Road Fund	991,793,500	1,010,366,000	1,064,874,000
Road Fund Current Year	2,300,000		
Subtotal	994,093,500	1,010,366,000	1,064,874,000
Federal Funds	4,199,498,800	4,350,120,100	4,332,231,200
Agency Funds	3,497,933,800	3,312,683,200	3,212,264,100
Capital Construction (Non General Fund)			
Restricted Funds	10,888,000	609,868,000	121,601,000
Federal Funds	621,000	79,266,000	8,871,000
Road Fund		10,447,000	8,923,000
Highway Bonds		100,000,000	105,000,000
Bond Funds	3,200,000	565,777,000	
Agency Bonds		91,525,000	
Capital Construction Surplus	1,477,000	1,462,000	
Investment Income	698,000	37,152,000	13,100,000
Other Funds	1,599,000	126,309,000	29,889,000
Subtotal	18,483,000	1,621,806,000	287,384,000
Total - Available Funds	15,028,657,500	16,700,633,600	15,599,210,500

SUMMARY - APPROPRIATED

FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
General Fund	5,726,429,700	6,162,565,000	6,458,202,000
General Fund Continuing Appropriation	253,990,900	243,093,300	244,255,200
General Fund Mandated Allotments	248,115,300		
General Fund Current Year	15,400,500		
General Fund Special	74,712,000		
Subtotal	6,318,648,400	6,405,658,300	6,702,457,200
Road Fund	991,793,500	1,010,366,000	1,064,874,000
Road Fund Current Year	2,300,000		
Subtotal	994,093,500	1,010,366,000	1,064,874,000
Federal Funds	4,114,125,900	4,347,685,300	4,332,983,400
Agency Funds	2,918,131,900	2,806,622,900	2,803,728,500
Capital Construction (Non General Fund)			
Restricted Funds	10,888,000	609,868,000	121,601,000
Federal Funds	621,000	79,266,000	8,871,000
Road Fund		10,447,000	8,923,000
Highway Bonds		100,000,000	105,000,000
Bond Funds	3,200,000	565,777,000	
Agency Bonds		91,525,000	
Capital Construction Surplus	1,477,000	1,462,000	
Investment Income	698,000	37,152,000	13,100,000
Other Funds	1,599,000	126,309,000	29,889,000
Subtotal	18,483,000	1,621,806,000	287,384,000
Total - Appropriated Funds	14,361,182,700	16,192,138,500	15,191,427,100

GENERAL FUND - REGULAR APPROPRIATION

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
GOVERNMENT OPERATIONS			
Executive Office of the Governor			
Office of the Governor	6,361,000	9,189,500	9,540,000
Governor's Office for Policy and Management	2,471,400	2,820,500	3,058,000
State Planning Fund	500,000	500,000	500,000
Subtotal	<u>9,332,400</u>	<u>12,510,000</u>	<u>13,098,000</u>
Secretary of State	2,223,200	2,254,300	2,354,300
Board of Elections	3,222,500	4,099,800	4,172,100
Treasury	1,857,700	2,078,500	2,135,200
Attorney General	10,639,900	12,940,500	13,520,700
Unified Prosecutorial System			
Commonwealth's Attorneys	16,982,600	18,013,000	18,900,100
County Attorneys	15,748,600	16,656,700	17,486,000
Subtotal	<u>32,731,200</u>	<u>34,669,700</u>	<u>36,386,100</u>
Auditor of Public Accounts	4,572,100	5,315,800	5,549,400
Agriculture	16,466,500	23,434,100	19,030,000
Military Affairs	10,381,100	10,256,500	10,854,300
Personnel Board	486,600	513,700	531,700
Local Government	6,042,000	10,213,900	9,749,900
Special Funds	61,690,100	59,030,200	65,374,500
Commission on Human Rights	1,853,200	1,905,400	1,962,400
Commission on Women	174,200	246,100	253,600
Registry of Election Finance	1,331,300	5,009,600	4,074,000
Executive Branch Ethics Commission	258,300	270,700	281,400
Appropriations Not Otherwise Classified	3,846,500	4,463,500	4,503,500
Appropriations Not Otherwise Classified-Judgment	5,000,000	10,000,000	-
Kentucky Veterans' Center	6,170,000	5,618,300	5,909,400
Total	<u>178,278,800</u>	<u>204,830,600</u>	<u>199,740,500</u>
ECONOMIC DEVELOPMENT			
Secretary	1,707,200	3,483,000	4,491,000
Administration	1,763,900	1,899,000	2,008,000
Job Development	2,051,000	2,333,000	2,413,000
Financial Incentives	3,788,700	2,729,000	3,343,000
Debt Service	51,815,000		666,000
Community Development	3,274,300	2,733,000	2,862,000
Total	<u>64,400,100</u>	<u>13,177,000</u>	<u>15,783,000</u>
EDUCATION			
SEEK	2,029,385,300	2,114,755,500	2,184,668,000
Executive Policy and Management	3,242,700	3,430,400	3,536,700
Management Support Services	280,524,700	286,802,400	303,911,900

GENERAL FUND - REGULAR APPROPRIATION

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
Learning Results Services	31,220,600	35,157,800	35,756,900
Learning Support Services	164,455,800	172,433,200	192,894,200
Total	2,508,829,100	2,612,579,300	2,720,767,700
EDUCATION, ARTS AND HUMANITIES			
Secretary	1,827,800	2,219,100	2,277,600
Kentucky Arts Council	3,979,900	4,095,800	4,216,600
Teachers' Retirement System	66,195,500	74,800,000	77,800,000
School Facilities Construction Commission	63,755,200	61,201,000	66,714,000
Deaf and Hard of Hearing	477,300	539,800	503,200
Kentucky Heritage Council	709,100	730,400	751,900
Kentucky Educational Television	16,570,900	14,217,700	14,520,000
Kentucky Historical Society	4,856,900	5,063,600	5,271,100
Libraries and Archives	13,246,200	12,141,200	12,488,500
Kentucky Center for the Arts	3,135,400	625,500	625,500
Environmental Education Council		53,000	
Total	174,754,200	175,687,100	185,168,400
FAMILIES AND CHILDREN			
Administration Services	22,479,000	8,631,000	8,770,500
Social Insurance			
Administration	53,221,800	57,179,700	57,158,200
Benefits	87,173,100	77,047,500	73,773,500
Subtotal	140,394,900	134,227,200	130,931,700
Social Services	130,844,500	126,437,700	138,610,400
Aging Services	22,919,500	23,244,500	23,337,000
Total	316,637,900	292,540,400	301,649,600
FINANCE AND ADMINISTRATION			
General Administration	8,783,200	8,805,000	8,830,000
Debt Service	20,474,000	142,743,000	158,864,000
County Costs	14,586,100	16,186,000	16,186,000
Administration	3,713,100	3,852,000	3,943,000
Facilities Management	6,690,100	8,087,000	8,365,000
Total	54,246,500	179,673,000	196,188,000
HEALTH SERVICES			
Medicaid Services			
Administration	7,851,100	20,443,700	20,810,600
Benefits	620,739,400	618,571,000	647,054,500
Subtotal	628,590,500	639,014,700	667,865,100
Mental Health/Mental Retardation	120,168,400	143,943,400	151,397,600
Public Health	51,577,900	53,887,300	55,426,700
Children with Special Health Care Needs	3,971,300	3,817,700	6,190,600

GENERAL FUND - REGULAR APPROPRIATION

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
Certificate of Need		127,800	131,500
Administrative Support		22,410,700	22,904,800
Health Care Policy Board	3,415,900		
Total	<u>807,724,000</u>	<u>863,201,600</u>	<u>903,916,300</u>
JUSTICE			
Justice Operations			
State Police	55,348,600	61,449,100	72,782,900
Justice Administration	7,762,600	6,015,600	6,153,900
Juvenile Justice		57,446,400	70,359,400
Subtotal	<u>63,111,200</u>	<u>124,911,100</u>	<u>149,296,200</u>
Corrections			
Corrections Management	28,347,900	6,832,200	9,756,200
Community Services and Local Facilities	51,914,200	65,527,800	71,059,800
Local Jail Support	14,468,500	14,568,500	14,568,500
Adult Correctional Institutions	152,929,800	162,430,800	172,180,200
Subtotal	<u>247,660,400</u>	<u>249,359,300</u>	<u>267,564,700</u>
Total	<u>310,771,600</u>	<u>374,270,400</u>	<u>416,860,900</u>
LABOR			
General Administration and Support	503,800	518,000	532,800
Workplace Standards	1,730,600	1,780,700	1,834,500
Subtotal	<u>2,234,400</u>	<u>2,298,700</u>	<u>2,367,300</u>
Ky Workers' Compensation Funding Commission		19,000,000	19,000,000
Total	<u>2,234,400</u>	<u>21,298,700</u>	<u>21,367,300</u>
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION			
General Administration and Support	7,948,600	8,703,200	9,026,200
Environmental Protection	21,611,000	21,572,200	22,108,800
Natural Resources	11,229,000	12,075,700	12,285,300
Surface Mining Reclamation	9,811,500	9,922,200	10,188,100
Subtotal	<u>50,600,100</u>	<u>52,273,300</u>	<u>53,608,400</u>
Kentucky River Authority		359,000	369,000
Environmental Quality Commission	234,900	251,100	249,800
Nature Preserves Commission	631,700	800,200	745,300
Total	<u>51,466,700</u>	<u>53,683,600</u>	<u>54,972,500</u>
PERSONNEL	5,074,300	3,309,400	3,297,100
POSTSECONDARY EDUCATION			
Council on Postsecondary Education	10,373,900	64,025,200	109,655,400

GENERAL FUND - REGULAR APPROPRIATION

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
Kentucky Higher Education Assistance Authority	30,103,200	30,603,200	30,603,200
Eastern Kentucky University	59,817,700	63,825,700	65,726,700
Kentucky State University	19,798,700	20,364,100	20,872,800
Morehead State University	35,496,700	36,439,600	37,399,700
Murray State University	43,701,300	45,409,300	44,739,100
Northern Kentucky University	32,326,600	33,902,900	34,721,700
University of Kentucky	271,143,000	285,626,700	289,530,300
University of Louisville	151,460,500	157,537,500	162,697,500
Western Kentucky University	55,852,900	57,972,500	59,489,500
Kentucky Community and Technical College System		155,729,900	161,090,400
University of Kentucky Community College System	87,404,500		
Subtotal	757,001,900	856,808,200	876,267,700
Total	797,479,000	951,436,600	1,016,526,300
PUBLIC PROTECTION AND REGULATION			
Board of Claims/Crime Victims Compensation	474,000	399,900	411,900
Alcoholic Beverage Control	1,817,800	2,526,900	2,622,400
Kentucky Racing Commission	894,100	1,419,100	1,356,900
Housing, Buildings, and Construction	3,446,100	3,480,500	3,576,800
Mines and Minerals	9,785,200	10,209,300	9,895,400
Public Advocacy	13,643,200	14,847,100	15,234,100
Public Service Commission	7,260,700	8,877,400	8,656,400
Office of the Secretary	335,400		
Board of Tax Appeals	541,200	410,200	422,000
Total	38,197,700	42,170,400	42,175,900
REVENUE			
Revenue Cabinet	57,316,300	58,147,900	60,236,900
Property Value Administrators	20,383,100	21,402,000	22,472,500
Total	77,699,400	79,549,900	82,709,400
TOURISM DEVELOPMENT			
Secretary	1,288,900	1,232,800	1,276,100
Breaks Interstate Park	170,000	200,000	200,000
Travel Development	6,375,100	6,992,400	7,177,800
Parks	32,493,900	26,751,800	27,688,600
Kentucky Horse Park	2,924,700	1,631,500	1,632,000
Kentucky State Fair Board	11,576,000	407,000	407,000
Total	54,828,600	37,215,500	38,381,500

GENERAL FUND - REGULAR APPROPRIATION

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
TRANSPORTATION			
Air Transportation	2,164,000	2,201,000	2,267,000
Rail Transportation	66,800	69,500	72,000
Public Transportation	3,295,500	3,916,000	4,007,000
Total	5,526,300	6,186,500	6,346,000
WORKFORCE DEVELOPMENT			
General Administration and Program Support	7,521,900	1,802,000	1,853,500
State Board for Adult and Technical Education	33,600	30,000	30,500
Technical Education	69,175,300	18,795,100	19,065,700
Adult Education and Literacy	10,051,700	12,411,200	12,779,400
Vocational Rehabilitation	9,172,700	9,421,100	9,672,800
Department for the Blind	1,792,700	1,883,700	1,952,600
Teachers' Retirement - Employers' Contribution	9,266,100	4,313,500	4,530,500
Employment Services	582,800	581,900	599,100
Total	107,596,800	49,238,500	50,484,100
Capital Construction	1,000,000	22,465,000	1,200,000
EMPOWER Kentucky Savings	(2,600,000)		
Grand Total - EXECUTIVE BRANCH	5,554,145,400	5,982,513,500	6,257,534,500
Legislative Branch	36,543,000	31,725,500	39,879,000
Judicial Branch	135,741,300	148,326,000	160,788,500
Grand Total - STATE GOVERNMENT	5,726,429,700	6,162,565,000	6,458,202,000

GENERAL FUND - CURRENT YEAR APPROPRIATION

<u>Cabinet / Agency</u>	<u>Revised FY 1998</u>
GOVERNMENT OPERATIONS	
Local Government	196,500
Commission on Women	65,000
Total	<u>261,500</u>
FAMILIES AND CHILDREN	
Social Services	5,000,000
JUSTICE	
Justice Operations	
State Police	1,158,500
Juvenile Justice	2,000,000
Subtotal	<u>3,158,500</u>
Corrections	
Community Services and Local Facilities	4,129,000
Total	<u>7,287,500</u>
PUBLIC PROTECTION AND REGULATION	
Alcoholic Beverage Control	340,500
Kentucky Racing Commission	350,000
Total	<u>690,500</u>
TOURISM DEVELOPMENT	
Breaks Interstate Park	30,000
Parks	1,837,000
Total	<u>1,867,000</u>
WORKFORCE DEVELOPMENT	
Technical Education	294,000
Grand Total - EXECUTIVE BRANCH	<u>15,400,500</u>
Grand Total - STATE GOVERNMENT	<u>15,400,500</u>

GENERAL FUND - MANDATED ALLOTMENTS

Cabinet / Agency	Revised FY 1998
GOVERNMENT OPERATIONS	
Board of Elections	197,500
Attorney General	300,000
Unified Prosecutorial System	
Commonwealth's Attorneys	134,100
County Attorneys	51,100
Subtotal	<u>185,200</u>
Military Affairs	4,913,000
Appropriations Not Otherwise Classified	733,000
Appropriations Not Otherwise Classified-Judgments	240,858,000
Total	<u>247,186,700</u>
JUSTICE	
Corrections	
Community Services and Local Facilities	660,000
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION	
Surface Mining Reclamation	268,600
Grand Total - EXECUTIVE BRANCH	<u>248,115,300</u>
Grand Total - STATE GOVERNMENT	<u>248,115,300</u>

GENERAL FUND - CONTINUING APPROPRIATION

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
GOVERNMENT OPERATIONS			
Agriculture	655,800		
Special Funds	12,213,800	17,882,200	17,882,200
Total	<u>12,869,600</u>	<u>17,882,200</u>	<u>17,882,200</u>
ECONOMIC DEVELOPMENT			
Financial Incentives	10,222,600	9,792,500	9,356,000
EDUCATION			
Learning Support Services	224,900		
FAMILIES AND CHILDREN			
Social Insurance			
Administration	2,185,200		1,500,000
Benefits	4,577,600		
Subtotal	<u>6,762,800</u>		<u>1,500,000</u>
Social Services	4,577,600		3,279,900
Total	<u>11,340,400</u>		<u>4,779,900</u>
JUSTICE			
Corrections			
Local Jail Support	475,800		
POSTSECONDARY EDUCATION			
Kentucky Higher Education Assistance Authority	123,800		
University of Louisville	33,900		
Total	<u>157,700</u>		
PUBLIC PROTECTION AND REGULATION			
Public Service Commission	427,200		
TRANSPORTATION			
Air Transportation	3,009,700	3,009,700	3,009,700
Public Transportation	1,291,400	1,291,400	1,291,400
Total	4,301,100	4,301,100	4,301,100
Budget Reserve Trust Fund	200,000,000	200,000,000	200,000,000
Grand Total - EXECUTIVE BRANCH	<u>240,019,300</u>	<u>231,975,800</u>	<u>236,319,200</u>
Legislative Branch	11,396,800	11,117,500	7,936,000
Judicial Branch	2,574,800		
Grand Total - STATE GOVERNMENT	<u>253,990,900</u>	<u>243,093,300</u>	<u>244,255,200</u>

AGENCY FUND - AVAILABLE

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
GOVERNMENT OPERATIONS			
Executive Office of the Governor			
Office of the Governor	1,016,500	1,016,500	1,016,500
Governor's Office for Policy and Management	167,000	127,000	87,000
Subtotal	1,183,500	1,143,500	1,103,500
Secretary of State	511,000	711,000	768,500
Board of Elections	50,000	40,000	40,000
Treasury	170,500		
Attorney General	9,576,000	6,310,500	6,256,500
Unified Prosecutorial System			
Commonwealth's Attorneys	664,500	675,000	672,500
County Attorneys	139,000	149,200	126,700
Subtotal	803,500	824,200	799,200
Auditor of Public Accounts	3,834,000	4,116,500	4,275,500
Agriculture	4,498,000	4,612,000	4,480,000
Military Affairs	10,756,500	11,398,500	11,811,500
Personnel Board	13,000		
Local Government	1,983,000	1,901,000	1,950,500
Commission on Human Rights	199,000	119,000	119,000
Commission on Women	500	500	500
Kentucky Retirement Systems	11,565,000	14,386,000	15,418,500
Kentucky Kare Health Insurance Authority	895,500	1,003,000	1,042,500
Registry of Election Finance	327,000	357,000	
Boards and Commissions	25,024,900	26,428,800	25,064,800
Governmental Services Center	1,718,000	1,565,300	1,428,300
Executive Branch Ethics Commission	7,000	7,000	4,000
Kentucky Veterans Center	12,893,500	12,484,000	11,332,000
Total	86,009,400	87,419,400	85,903,900
ECONOMIC DEVELOPMENT			
Secretary	350,000		
Administration	296,000	277,000	223,000
Financial Incentives	2,260,000	3,042,500	2,350,000
Community Development	256,000	252,000	240,000
Total	3,162,000	3,571,500	2,813,000
EDUCATION			
Executive Policy and Management	455,000	499,000	535,700
Management Support Services	2,362,500	2,178,300	2,243,300
Learning Results Services	222,000	167,500	170,000
Learning Support Services	2,658,500	2,578,000	2,631,500
Total	5,698,000	5,422,800	5,580,500

AGENCY FUND - AVAILABLE

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
EDUCATION, ARTS AND HUMANITIES			
Secretary	101,000	94,500	97,500
Kentucky Arts Council	467,000	389,000	369,500
Teachers' Retirement System	3,813,800	4,401,700	4,733,100
Deaf and Hard of Hearing	245,000	200,000	200,000
Kentucky Heritage Council	179,500	133,000	151,500
Kentucky Educational Television	2,346,500	1,207,500	1,096,000
Kentucky Historical Society	529,000	536,500	569,000
Libraries and Archives	1,852,500	1,850,000	1,684,500
Environmental Education Council	327,000	328,500	328,500
Total	9,861,300	9,140,700	9,229,600
FAMILIES AND CHILDREN			
Administration Services	6,440,500	3,317,500	1,573,500
Social Insurance			
Administration	35,993,000	38,160,500	41,364,500
Benefits	5,168,700	2,000,000	
Subtotal	41,161,700	40,160,500	41,364,500
Social Services	51,387,500	41,339,000	41,339,000
Aging Services	250,000		
Total	99,239,700	84,817,000	84,277,000
FINANCE AND ADMINISTRATION			
General Administration	6,200,000	6,234,000	5,629,000
County Costs	1,533,500	1,533,500	1,533,500
County Fees	54,834,500	63,223,500	65,250,500
Administration	20,247,000	10,123,000	10,615,000
Facilities Management	18,676,500	20,138,000	20,543,000
Information Systems	47,654,500	49,767,500	51,016,500
Total	149,146,000	151,019,500	154,587,500
HEALTH SERVICES			
Medicaid Services			
Administration	17,800,000	6,232,500	5,732,500
Benefits	211,261,500	278,000,500	212,971,000
Subtotal	229,061,500	284,233,000	218,703,500
Mental Health/Mental Retardation	146,055,000	123,228,500	125,924,000
Public Health	10,813,000	10,122,000	9,442,000
Children with Special Health Care Needs	6,836,500	5,771,000	5,100,000
Certificate of Need	732,400	831,400	715,400
Administrative Support	7,056,700	5,335,700	5,226,200
Total	400,555,100	429,521,600	365,111,100

AGENCY FUND - AVAILABLE

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
JUSTICE			
Justice Operations			
Criminal Justice Training	28,516,500	31,608,500	35,770,500
State Police	5,889,000	6,821,500	6,983,500
Justice Administration	10,090,000	10,931,500	11,899,000
Juvenile Justice	4,939,500	9,207,500	11,446,600
Subtotal	49,435,000	58,569,000	66,099,600
Corrections			
Corrections Management	274,000	294,000	184,000
Community Services and Local Facilities	413,000	346,500	336,500
Adult Correctional Institutions	25,202,000	27,921,300	24,834,500
Subtotal	25,889,000	28,561,800	25,355,000
Total	75,324,000	87,130,800	91,454,600
LABOR			
Labor Cabinet			
General Administration and Support	3,948,000	4,484,500	4,488,000
Workplace Standards	207,568,000	150,921,500	152,658,000
Workers' Claims	15,182,500	14,994,000	15,637,000
Kentucky Occupational Safety and Health Review Commission	293,500	309,000	319,500
Subtotal	226,992,000	170,709,000	173,102,500
Kentucky Workers' Compensation Funding Commission	433,169,000	319,595,000	264,042,000
Total	660,161,000	490,304,000	437,144,500
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION			
General Administration and Support	1,096,000	579,000	435,500
Environmental Protection	29,863,000	27,731,500	25,515,500
Natural Resources	7,156,000	6,374,000	5,053,500
Surface Mining Reclamation	32,347,000	31,755,000	31,335,500
Subtotal	70,462,000	66,439,500	62,340,000
Kentucky River Authority	2,845,500	2,123,000	1,915,500
Environmental Quality Commission	20,000		
Nature Preserves Commission	1,165,500	4,000	2,000
Total	74,493,000	69,416,500	64,870,000
PERSONNEL	28,343,500	33,091,500	36,705,000

AGENCY FUND - AVAILABLE

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
POSTSECONDARY EDUCATION			
Kentucky Higher Education Assistance Authority	13,930,500	14,080,500	14,686,000
Eastern Kentucky University	82,470,600	85,446,100	88,145,900
Kentucky State University	11,350,600	15,893,000	16,386,000
Morehead State University	32,946,500	34,597,000	36,164,000
Murray State University	45,417,300	47,564,500	49,372,000
Northern Kentucky University	44,329,200	46,341,600	48,500,800
University of Kentucky	656,442,000	683,978,500	703,883,000
University of Louisville	216,742,500	222,614,500	229,174,500
Western Kentucky University	60,522,800	62,711,500	64,491,500
Kentucky Community and Technical College System		89,179,000	91,684,500
University of Kentucky Community College System	74,860,000		
Subtotal	1,225,081,500	1,288,325,700	1,327,802,200
Total	1,239,012,000	1,302,406,200	1,342,488,200
PUBLIC PROTECTION AND REGULATION			
Board of Claims/Crime Victims Compensation	2,349,500	2,762,000	3,069,000
Alcoholic Beverage Control	913,200	973,600	908,600
Financial Institutions	11,287,000	10,474,000	12,036,500
Kentucky Racing Commission	18,099,000	15,879,700	16,084,700
Housing, Buildings, and Construction	36,880,600	33,419,600	34,496,100
Insurance	35,237,100	35,799,600	36,298,600
Mines and Minerals	1,663,600	1,597,500	1,588,500
Public Advocacy	5,362,700	4,668,500	4,211,500
Public Service Commission	22,500	22,500	22,500
Secretary	135,162,000	140,263,000	145,242,000
Total	246,977,200	245,860,000	253,958,000
REVENUE			
Revenue Cabinet	4,509,500	3,719,200	2,959,200
Property Value Administrators	3,958,000	3,749,500	3,423,000
Total	8,467,500	7,468,700	6,382,200
TOURISM DEVELOPMENT			
Travel Development	9,000	4,000	4,000
Parks	43,356,500	46,583,000	47,894,500
Kentucky Horse Park	4,039,300	4,056,000	4,179,000
Kentucky State Fair Board	28,036,500	29,954,500	30,745,500
Fish and Wildlife Resources	43,327,500	43,498,500	41,036,500
Total	118,768,800	124,096,000	123,859,500
TRANSPORTATION			
Air Transportation	87,500	63,500	64,500
Public Transportation		48,038,500	50,068,500

AGENCY FUND - AVAILABLE

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
Highways	200,425,500	62,982,500	26,719,500
Vehicle Regulation	4,687,000	4,772,500	4,577,500
General Administration & Support	22,505,500	22,659,500	22,911,500
Total	227,705,500	138,516,500	104,341,500
WORKFORCE DEVELOPMENT			
General Administration and Program Support	5,254,000	5,535,000	5,755,500
Technical Education	38,873,700	18,712,500	19,515,500
Adult Education and Literacy	1,042,000	910,500	915,500
Vocational Rehabilitation	3,289,500	3,233,500	3,090,000
Department for the Blind	3,893,000	3,446,000	3,223,000
State Board for Proprietary Education	244,500	123,000	129,000
Training and Reemployment	17,500	17,500	17,500
Employment Services	5,762,000	5,889,500	6,021,000
Total	58,376,200	37,867,500	38,667,000
Grand Total - EXECUTIVE BRANCH	3,491,300,200	3,307,070,200	3,207,373,100
Legislative Branch	931,600	501,000	451,000
Judicial Branch	5,702,000	5,112,000	4,440,000
Grand Total - STATE GOVERNMENT	3,497,933,800	3,312,683,200	3,212,264,100

AGENCY FUND - APPROPRIATED

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
GOVERNMENT OPERATIONS			
Executive Office of the Governor			
Office of the Governor	400,000	400,000	400,000
Governor's Office for Policy and Management	40,000	40,000	40,000
Subtotal	440,000	440,000	440,000
Secretary of State		142,500	145,500
Board of Elections	50,000	40,000	40,000
Treasury	166,500		
Attorney General	9,115,500	5,976,500	6,256,500
Unified Prosecutorial System			
Commonwealth's Attorneys	449,000	482,500	511,500
County Attorneys	65,800	102,000	105,500
Subtotal	514,800	584,500	617,000
Auditor of Public Accounts	3,285,500	3,639,500	3,798,500
Agriculture	2,111,500	2,357,500	2,403,000
Military Affairs	9,667,000	10,333,500	10,699,500
Personnel Board	7,900	5,000	5,000
Local Government	552,500	456,000	456,000
Commission on Human Rights	88,500	8,500	8,500
Kentucky Retirement Systems	11,565,000	14,386,000	15,418,500
Kentucky Kare Health Insurance Authority	864,000	1,003,000	1,042,500
Boards and Commissions	11,231,600	12,262,500	12,641,500
Governmental Services Center	1,252,700	1,237,000	1,276,000
Executive Branch Ethics Commission		3,000	3,000
Kentucky Veterans Center	9,847,500	10,677,000	11,304,500
Total	60,760,500	63,909,000	66,555,500
ECONOMIC DEVELOPMENT			
Secretary	350,000		
Administration	219,000	254,000	223,000
Financial Incentives	1,491,500	3,040,500	2,347,000
Community Development	169,000	177,000	186,500
Total	2,229,500	3,471,500	2,756,500
EDUCATION			
Executive Policy and Management	359,000	384,800	405,700
Management Support Services	2,178,500	2,119,500	2,188,000
Learning Results Services	200,500	146,000	150,500
Learning Support Services	2,098,000	2,100,000	2,160,500
Total	4,836,000	4,750,300	4,904,700

AGENCY FUND - APPROPRIATED

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
EDUCATION, ARTS AND HUMANITIES			
Secretary	100,500	94,000	97,000
Kentucky Arts Council	407,500	362,500	369,500
Teachers' Retirement System	3,813,800	4,401,700	4,733,100
Deaf and Hard of Hearing	245,000	200,000	200,000
Kentucky Heritage Council	142,000	95,500	114,000
Kentucky Educational Television	1,795,000	868,000	1,096,000
Kentucky Historical Society	305,000	369,500	455,000
Libraries and Archives	1,170,500	1,368,500	1,499,000
Environmental Education Council	260,500	262,000	262,000
Total	8,239,800	8,021,700	8,825,600
FAMILIES AND CHILDREN			
Administration Services	3,675,000	2,312,000	1,573,500
Social Insurance			
Administration	35,993,000	38,160,500	41,364,500
Benefits	5,168,700	2,000,000	
Subtotal	41,161,700	40,160,500	41,364,500
Social Services	51,387,500	41,339,000	41,339,000
Aging Services	250,000		
Total	96,474,200	83,811,500	84,277,000
FINANCE AND ADMINISTRATION			
General Administration	3,663,000	4,323,000	4,508,000
County Costs	1,327,000	1,327,000	1,327,000
County Fees	41,355,000	49,744,000	51,771,000
Administration	18,379,500	8,063,000	8,347,000
Facilities Management	17,082,500	19,097,000	20,458,000
Information Systems	46,532,000	48,933,000	50,384,000
Total	128,339,000	131,487,000	136,795,000
HEALTH SERVICES			
Medicaid Services			
Administration	17,800,000	6,232,500	5,732,500
Benefits	169,696,400	219,029,500	177,044,500
Subtotal	187,496,400	225,262,000	182,777,000
Mental Health/Mental Retardation	141,596,000	122,541,500	125,237,000
Public Health	10,125,000	10,088,000	9,408,000
Children with Special Health Care Needs	6,836,500	5,771,000	5,100,000

AGENCY FUND - APPROPRIATED

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
Certificate of Need	86,000	301,000	319,000
Administrative Support	6,471,000	5,150,000	5,040,500
Total	352,610,900	369,113,500	327,881,500
JUSTICE			
Justice Operations			
Criminal Justice Training	25,860,000	25,932,500	30,088,000
State Police	5,624,500	6,444,000	6,487,500
Justice Administration	3,262,500	3,186,500	3,179,500
Juvenile Justice	4,939,500	9,114,400	11,254,500
Subtotal	39,686,500	44,677,400	51,009,500
Corrections			
Corrections Management	141,000	271,000	161,000
Community Services and Local Facilities	382,500	326,000	336,000
Adult Correctional Institutions	16,683,200	21,848,300	22,681,500
Subtotal	17,206,700	22,445,300	23,178,500
Total	56,893,200	67,122,700	74,188,000
LABOR			
Labor Cabinet			
General Administration and Support	3,948,000	4,484,500	4,488,000
Workplace Standards	203,568,000	146,921,500	148,658,000
Workers' Claims	15,182,500	14,994,000	15,637,000
Kentucky Occupational Safety and Health Review Commission	293,500	309,000	319,500
Subtotal	222,992,000	166,709,000	169,102,500
Kentucky Workers' Compensation Funding Commission	208,388,500	149,905,500	152,337,500
Total	431,380,500	316,614,500	321,440,000
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION			
Natural Resources and Environmental Protection Cabinet			
General Administration and Support	720,500	352,000	435,500
Environmental Protection	19,033,000	20,196,000	21,336,000
Natural Resources	5,492,500	5,522,500	5,053,500
Surface Mining Reclamation	5,893,000	5,793,000	5,988,000
Subtotal	31,139,000	31,863,500	32,813,000
	Revised	Recommended	Recommended

AGENCY FUND - APPROPRIATED

Cabinet / Agency	FY 1998	FY 1999	FY 2000
Kentucky River Authority	1,247,500	1,511,000	1,750,000
Environmental Quality Commission	18,000	4,000	2,000
Nature Preserves Commission	728,500	637,500	612,500
Total	33,133,000	34,016,000	35,177,500
PERSONNEL	22,372,500	25,782,500	27,099,500
POSTSECONDARY EDUCATION			
Kentucky Higher Education Assistance Authority	13,735,000	13,885,000	14,490,500
Eastern Kentucky University	82,470,600	85,446,100	88,145,900
Kentucky State University	11,350,600	15,893,000	16,386,000
Morehead State University	32,946,500	34,597,000	36,164,000
Murray State University	45,417,300	47,564,500	49,372,000
Northern Kentucky University	44,329,200	46,341,600	48,500,800
University of Kentucky	656,442,000	683,978,500	703,883,000
University of Louisville	216,742,500	222,614,500	229,174,500
Western Kentucky University	60,522,800	62,711,500	64,491,500
Kentucky Community and Technical College System		88,648,500	91,035,500
University of Kentucky Community College System	74,860,000		
Subtotal	1,225,081,500	1,287,795,200	1,327,153,200
Total	1,238,816,500	1,301,680,200	1,341,643,700
PUBLIC PROTECTION AND REGULATION			
Board of Claims/Crime Victims Compensation	1,290,500	1,420,500	1,445,500
Alcoholic Beverage Control	667,100	802,500	787,500
Financial Institutions	9,385,500	7,056,000	7,307,500
Kentucky Racing Commission	15,549,200	14,017,000	13,719,500
Housing, Buildings, and Construction	29,225,000	25,393,500	27,426,500
Insurance	22,133,500	22,574,000	23,206,500
Mines and Minerals	867,100	810,000	810,000
Public Advocacy	3,865,200	3,689,000	3,895,000
Public Service Commission	22,500	22,500	22,500
Secretary	41,012,300	41,836,500	42,384,500
Total	124,017,900	117,621,500	121,005,000
REVENUE			
Revenue Cabinet	2,988,800	2,928,000	2,722,000
Property Value Administrators	2,171,500	2,387,500	2,549,500
Total	5,160,300	5,315,500	5,271,500

AGENCY FUND - APPROPRIATED

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
TOURISM DEVELOPMENT			
Travel Development	9,000	4,000	4,000
Parks	41,356,500	44,483,000	45,684,500
Kentucky Horse Park	3,939,300	3,859,000	3,982,000
Kentucky State Fair Board	24,252,500	26,129,000	27,702,000
Fish and Wildlife Resources	20,629,000	23,262,000	24,492,500
Total	<u>90,186,300</u>	<u>97,737,000</u>	<u>101,865,000</u>
TRANSPORTATION			
Air Transportation	53,500	29,500	30,500
Public Transportation		48,038,500	50,068,500
Highways	178,893,000	63,328,000	27,065,000
Vehicle Regulation	2,280,000	2,472,500	2,572,000
General Administration and Support	20,696,000	21,198,000	22,142,000
Total	<u>201,922,500</u>	<u>135,066,500</u>	<u>101,878,000</u>
WORKFORCE DEVELOPMENT			
General Administration and Program Support	4,965,500	5,247,500	5,474,000
Technical Education	38,078,700	18,654,500	19,416,000
Adult Education and Literacy	968,500	874,000	915,500
Vocational Rehabilitation	2,384,000	2,391,500	2,406,500
Department for the Blind	3,497,000	3,275,000	3,168,000
State Board for Proprietary Education	235,000	110,500	116,000
Training and Reemployment	17,500	17,500	17,500
Employment Services	5,762,000	5,889,500	6,021,000
Total	<u>55,908,200</u>	<u>36,460,000</u>	<u>37,534,500</u>
Grand Total - EXECUTIVE BRANCH	<u>2,913,280,800</u>	<u>2,801,980,900</u>	<u>2,799,098,500</u>
Legislative Branch	620,600	240,000	190,000
Judicial Branch	4,230,500	4,402,000	4,440,000
Grand Total - STATE GOVERNMENT	<u>2,918,131,900</u>	<u>2,806,622,900</u>	<u>2,803,728,500</u>

FEDERAL FUNDS - AVAILABLE

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
GOVERNMENT OPERATIONS			
Attorney General	1,606,500	1,639,500	1,595,500
Unified Prosecutorial System			
Commonwealth's Attorneys	694,000	642,500	675,500
County Attorneys	72,500	81,500	86,500
Subtotal	766,500	724,000	762,000
Agriculture	3,129,000	1,924,600	1,922,500
Military Affairs	34,997,000	8,958,500	8,960,000
Local Government	39,311,000	38,381,000	38,685,500
Commission on Human Rights	109,500	189,500	189,500
Commission on Women	4,500		
Total	79,924,000	51,817,100	52,115,000
ECONOMIC DEVELOPMENT			
Community Development	343,500	185,500	166,500
EDUCATION			
Executive Policy and Management	504,500	520,000	536,000
Management Support Services	131,917,500	135,875,000	139,960,800
Learning Results Services	2,294,000		
Learning Support Services	206,979,000	213,131,000	219,492,500
Total	341,695,000	349,526,000	359,989,300
EDUCATION, ARTS AND HUMANITIES			
Kentucky Arts Council	638,500	514,500	438,500
Kentucky Heritage Council	792,000	792,000	792,000
Kentucky Educational Television	455,500		
Kentucky Historical Society	183,500	605,500	155,500
Libraries and Archives	2,519,500	2,022,500	2,044,000
Total	4,589,000	3,934,500	3,430,000
FAMILIES AND CHILDREN			
Administration Services	6,688,000	6,889,000	7,095,500
Social Insurance			
Administration	143,683,700	155,032,900	161,197,100
Benefits	172,368,900	158,976,500	161,987,000
Subtotal	316,052,600	314,009,400	323,184,100
Social Services	141,567,500	141,020,500	142,675,500
Aging Services	16,844,400	16,844,500	16,844,500
Total	481,152,500	478,763,400	489,799,600

FEDERAL FUNDS - AVAILABLE

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
FINANCE AND ADMINISTRATION			
General Administration	58,082,000	58,133,000	58,132,000
HEALTH SERVICES			
Medicaid Services			
Administration	34,433,500	22,375,000	23,278,500
Benefits	1,950,438,500	2,000,999,500	1,971,000,000
Subtotal	<u>1,984,872,000</u>	<u>2,023,374,500</u>	<u>1,994,278,500</u>
Mental Health/Mental Retardation	35,186,600	35,275,000	35,114,500
Public Health	113,338,000	113,987,500	114,583,500
Children with Special Health Care Needs	6,330,500	5,887,000	4,497,000
Administrative Support	6,983,000	57,133,000	57,451,500
Total	<u>2,146,710,100</u>	<u>2,235,657,000</u>	<u>2,205,925,000</u>
JUSTICE			
Justice Operations			
State Police	6,640,000	9,572,500	9,935,000
Justice Administration	11,642,500	13,291,000	13,493,000
Juvenile Justice	17,564,000	15,057,000	15,057,000
Subtotal	<u>35,846,500</u>	<u>37,920,500</u>	<u>38,485,000</u>
Corrections			
Corrections Management	601,000	35,500	35,500
Community Services and Local Facilities	2,336,500	2,313,500	1,412,000
Adult Correctional Institutions	4,004,000	4,012,000	2,861,500
Subtotal	<u>6,941,500</u>	<u>6,361,000</u>	<u>4,309,000</u>
Total	<u>42,788,000</u>	<u>44,281,500</u>	<u>42,794,000</u>
LABOR			
Workplace Standards	2,880,000	2,828,500	2,828,500
Kentucky Occupational Safety and Health Review Commission	<u>161,000</u>	<u>174,500</u>	<u>174,500</u>
Total	<u>3,041,000</u>	<u>3,003,000</u>	<u>3,003,000</u>
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION			
General Administration and Support	2,057,500	2,065,000	2,166,000
Environmental Protection	13,452,000	18,731,500	16,191,500

FEDERAL FUNDS - AVAILABLE

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
Natural Resources	2,683,000	2,626,500	2,627,500
Surface Mining Reclamation	15,625,000	15,808,500	16,196,500
Abandoned Mine Lands Reclamation Projects	22,456,000	22,456,000	22,456,000
Subtotal	56,273,500	61,687,500	59,637,500
Nature Preserves Commission	30,000	25,000	25,000
Total	56,303,500	61,712,500	59,662,500
POSTSECONDARY EDUCATION			
Council on Postsecondary Education	3,984,500	4,057,000	4,063,500
Kentucky Higher Education Assistance Authority	623,000		
Eastern Kentucky University	21,414,800	21,414,800	21,414,800
Kentucky State University	11,289,900	11,617,300	11,942,500
Morehead State University	31,478,500	33,173,500	35,555,000
Murray State University	7,467,500	6,819,000	7,214,500
Northern Kentucky University	4,761,500	4,761,500	4,761,500
University of Kentucky	75,418,000	81,237,500	82,831,000
University of Louisville	25,121,000	25,121,000	25,121,500
Western Kentucky University	13,695,000	13,695,000	13,695,000
Kentucky Community and Technical College System		37,794,000	38,271,500
University of Kentucky Community College System	29,766,000		
Subtotal	220,412,200	235,633,600	240,807,300
Total	225,019,700	239,690,600	244,870,800
PUBLIC PROTECTION AND REGULATION			
Board of Claims/Crime Victims Compensation	365,700	365,500	365,500
Mines and Minerals	695,500	654,000	615,500
Public Advocacy	1,106,700	1,192,500	1,347,500
Public Service Commission	242,100	219,000	229,000
Total	2,410,000	2,431,000	2,557,500
REVENUE			
Revenue Cabinet	90,000	40,000	40,000
TOURISM DEVELOPMENT			
Secretary	129,700		
Travel Development	6,000		
Parks	600		
Fish and Wildlife Resources	7,547,500	7,164,000	7,331,500
Total	7,683,800	7,164,000	7,331,500

FEDERAL FUNDS - AVAILABLE

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
TRANSPORTATION			
Air Transportation	14,000	359,000	359,000
Public Transportation	4,057,000	4,967,000	5,072,500
Highways	340,159,000	398,753,000	381,756,000
Vehicle Regulation	4,000	(55,500)	(55,500)
Total	<u>344,234,000</u>	<u>404,023,500</u>	<u>387,132,000</u>
WORKFORCE DEVELOPMENT			
General Administration and Program Support	9,924,500	5,734,000	2,012,500
Technical Education	23,490,300	15,650,000	15,200,000
Adult Education and Literacy	8,090,500	8,288,500	8,689,000
Vocational Rehabilitation	35,842,500	37,651,500	39,069,500
Department for the Blind	7,675,000	6,871,000	6,457,500
Governor's Council on Vocational Education	152,500		
Job Training Coordinating Council	138,900	132,500	139,000
Training and Reemployment	42,664,500	36,807,000	40,493,000
Employment Services	276,437,500	298,013,000	302,778,000
Total	<u>404,416,200</u>	<u>409,147,500</u>	<u>414,838,500</u>
Grand Total - EXECUTIVE BRANCH	<u>4,198,482,300</u>	<u>4,349,510,100</u>	<u>4,331,787,200</u>
Judicial Branch	1,016,500	610,000	444,000
Grand Total - STATE GOVERNMENT	<u>4,199,498,800</u>	<u>4,350,120,100</u>	<u>4,332,231,200</u>

FEDERAL FUNDS - APPROPRIATED

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
GOVERNMENT OPERATIONS			
Attorney General	1,606,500	1,639,500	1,595,500
Unified Prosecutorial System			
Commonwealth's Attorneys	678,000	626,500	659,500
County Attorneys	69,500	78,500	83,500
Subtotal	<u>747,500</u>	<u>705,000</u>	<u>743,000</u>
Agriculture	3,096,400	1,894,100	1,898,000
Military Affairs	34,997,000	8,958,500	8,960,000
Local Government	38,964,000	38,381,000	38,685,500
Commission on Human Rights	109,500	189,500	189,500
Commission on Women	4,500		
Total	<u>79,525,400</u>	<u>51,767,600</u>	<u>52,071,500</u>
ECONOMIC DEVELOPMENT			
Community Development	318,000	179,000	160,000
EDUCATION			
Executive Policy and Management	484,500	510,000	526,000
Management Support Services	131,917,500	135,865,200	139,926,000
Learning Results Services	2,294,000		
Learning Support Services	206,858,500	213,027,500	219,417,500
Total	<u>341,554,500</u>	<u>349,402,700</u>	<u>359,869,500</u>
EDUCATION, ARTS AND HUMANITIES			
Kentucky Arts Council	509,000	476,000	416,000
Kentucky Heritage Council	792,000	792,000	792,000
Kentucky Educational Television	455,500		
Kentucky Historical Society	138,000	585,000	144,000
Libraries and Archives	2,515,500	2,018,500	2,040,000
Total	<u>4,410,000</u>	<u>3,871,500</u>	<u>3,392,000</u>
FAMILIES AND CHILDREN			
Administration Services	6,688,000	6,889,000	7,095,500
Social Insurance			
Administration	143,683,700	155,032,900	161,197,100
Benefits	172,368,900	158,976,500	161,987,000
Subtotal	<u>316,052,600</u>	<u>314,009,400</u>	<u>323,184,100</u>
Social Services	141,567,500	141,020,500	142,675,500
Aging Services	16,844,400	16,844,500	16,844,500
Total	<u>481,152,500</u>	<u>478,763,400</u>	<u>489,799,600</u>

FEDERAL FUNDS - APPROPRIATED

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
FINANCE AND ADMINISTRATION			
General Administration	58,081,000	58,133,000	58,132,000
HEALTH SERVICES			
Medicaid Services			
Administration	34,433,500	22,375,000	23,278,500
Benefits	1,870,964,200	2,000,999,500	1,971,000,000
Subtotal	<u>1,905,397,700</u>	<u>2,023,374,500</u>	<u>1,994,278,500</u>
Mental Health/Mental Retardation	35,035,100	35,150,500	34,990,000
Public Health	113,338,000	113,987,500	114,583,500
Children with Special Health Care Needs	5,030,500	5,887,000	4,497,000
Administrative Support	6,983,000	57,133,000	57,451,500
Total	<u>2,065,784,300</u>	<u>2,235,532,500</u>	<u>2,205,800,500</u>
JUSTICE			
Justice Operations			
State Police	6,160,000	9,068,500	9,433,000
Justice Administration	11,142,500	12,791,000	12,993,000
Juvenile Justice	17,564,000	15,057,000	15,057,000
Subtotal	<u>34,866,500</u>	<u>36,916,500</u>	<u>37,483,000</u>
Corrections			
Corrections Management	565,500		
Community Services and Local Facilities	173,000	1,053,500	1,412,000
Adult Correctional Institutions	1,167,500	2,030,500	2,861,500
Subtotal	<u>1,906,000</u>	<u>3,084,000</u>	<u>4,273,500</u>
Total	<u>36,772,500</u>	<u>40,000,500</u>	<u>41,756,500</u>
LABOR			
Labor Cabinet			
Workplace Standards	2,880,000	2,828,500	2,828,500
Kentucky Occupational Safety and Health Review Commission	161,000	174,500	174,500
Total	<u>3,041,000</u>	<u>3,003,000</u>	<u>3,003,000</u>
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION			
General Administration and Support	2,057,500	2,065,000	2,166,000
Environmental Protection	13,452,000	18,731,500	16,191,500

FEDERAL FUNDS - APPROPRIATED

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
Natural Resources	2,683,000	2,626,500	2,627,500
Surface Mining Reclamation	15,625,000	15,808,500	16,196,500
Abandoned Mine Lands Reclamation Projects'	22,456,000	22,456,000	22,456,000
Subtotal	56,273,500	61,687,500	59,637,500
Nature Preserves Commission	30,000	25,000	25,000
Total	56,303,500	61,712,500	59,662,500
POSTSECONDARY EDUCATION			
Council on Postsecondary Education	3,984,500	4,057,000	4,063,500
Kentucky Higher Education Assistance Authority	623,000		
Eastern Kentucky University	21,414,800	21,414,800	21,414,800
Kentucky State University	11,289,900	11,617,300	11,942,500
Morehead State University	31,478,500	33,173,500	35,555,000
Murray State University	7,467,500	6,819,000	7,214,500
Northern Kentucky University	4,761,500	4,761,500	4,761,500
University of Kentucky	75,418,000	81,237,500	82,831,000
University of Louisville	25,121,000	25,121,000	25,121,500
Western Kentucky University	13,695,000	13,695,000	13,695,000
Kentucky Community and Technical College System		37,794,000	38,271,500
University of Kentucky Community College System	29,766,000		
Subtotal	220,412,200	235,633,600	240,807,300
Total	225,019,700	239,690,600	244,870,800
PUBLIC PROTECTION AND REGULATION			
Board of Claims/Crime Victims Compensation	351,200	351,000	351,000
Mines and Minerals	671,000	629,500	591,000
Public Advocacy	1,087,200	1,075,000	1,128,000
Public Service Commission	242,100	219,000	229,000
Total	2,351,500	2,274,500	2,299,000
REVENUE			
Revenue Cabinet	90,000	40,000	40,000
TOURISM DEVELOPMENT			
Secretary	129,700		
Travel Development	6,000		
Parks	600		
Fish and Wildlife Resources	7,547,500	7,164,000	7,331,500
Total	7,683,800	7,164,000	7,331,500

FEDERAL FUNDS - APPROPRIATED

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
TRANSPORTATION			
Air Transportation	14,000	359,000	359,000
Public Transportation	4,086,500	4,996,500	5,102,000
Highways	341,005,500	399,599,500	382,602,500
Vehicle Regulation	1,559,500	1,500,000	1,500,000
Total	<u>346,665,500</u>	<u>406,455,000</u>	<u>389,563,500</u>
WORKFORCE DEVELOPMENT			
General Administration and Program Support	9,915,000	5,722,500	2,012,500
Technical Education	23,490,300	15,650,000	15,200,000
Adult Education and Literacy	8,045,000	8,243,000	8,643,000
Vocational Rehabilitation	35,842,500	37,651,500	39,069,500
Department for the Blind	7,675,000	6,871,000	6,457,500
Governor's Council on Vocational Education	152,500		
Job Training Coordinating Council	138,900	132,500	139,000
Training and Reemployment	42,664,500	36,807,000	40,493,000
Employment Services	276,432,500	298,008,000	302,773,000
Total	<u>404,356,200</u>	<u>409,085,500</u>	<u>414,787,500</u>
Grand Total - EXECUTIVE BRANCH	<u>4,113,109,400</u>	<u>4,347,075,300</u>	<u>4,332,539,400</u>
Judicial Branch	1,016,500	610,000	444,000
Grand Total - STATE GOVERNMENT	<u>4,114,125,900</u>	<u>4,347,685,300</u>	<u>4,332,983,400</u>

ROAD FUND - AVAILABLE

FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
FINANCE AND ADMINISTRATION			
General Administration	125,000	125,000	125,000
Administration	246,000	257,000	270,000
Total	371,000	382,000	395,000
JUSTICE			
Justice Operations			
State Police	40,407,000	35,000,000	30,000,000
REVENUE			
Revenue Cabinet	1,352,000	1,352,000	1,352,000
TRANSPORTATION			
Revenue Sharing	203,464,000	204,091,500	208,717,000
Highways	510,446,500	531,350,500	562,965,500
Vehicle Regulation	24,876,000	28,246,000	29,304,000
Debt Service	152,330,000	153,027,500	168,633,500
General Administration and Support	52,563,500	56,916,500	63,507,000
Judgments	5,983,500		
Total	949,663,500	973,632,000	1,033,127,000
Grand Total - EXECUTIVE BRANCH	991,793,500	1,010,366,000	1,064,874,000
Grand Total - STATE GOVERNMENT	991,793,500	1,010,366,000	1,064,874,000

ROAD FUND - APPROPRIATED

FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
FINANCE AND ADMINISTRATION			
General Administration	125,000	125,000	125,000
Administration	246,000	257,000	270,000
Total	<u>371,000</u>	<u>382,000</u>	<u>395,000</u>
JUSTICE			
Justice Operations			
State Police	40,407,000	35,000,000	30,000,000
REVENUE			
Revenue Cabinet	1,352,000	1,352,000	1,352,000
TRANSPORTATION			
Revenue Sharing	203,464,000	204,091,500	208,717,000
Highways	510,446,500	531,350,500	562,965,500
Vehicle Regulation	24,876,000	28,246,000	29,304,000
Debt Service	152,330,000	153,027,500	168,633,500
General Administration & Support	52,563,500	56,916,500	63,507,000
Judgments	5,983,500		
Total	<u>949,663,500</u>	<u>973,632,000</u>	<u>1,033,127,000</u>
Grand Total - EXECUTIVE BRANCH	<u>991,793,500</u>	<u>1,010,366,000</u>	<u>1,064,874,000</u>
Grand Total - STATE GOVERNMENT	<u>991,793,500</u>	<u>1,010,366,000</u>	<u>1,064,874,000</u>

ROAD FUND - CURRENT YEAR APPROPRIATION

Cabinet / Agency	Revised FY 1998
TRANSPORTATION	
Vehicle Regulation	2,300,000
Grand Total - EXECUTIVE BRANCH	2,300,000
Grand Total - STATE GOVERNMENT	2,300,000

BOND FUNDS

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
GOVERNMENT OPERATIONS			
Military Affairs		1,200,000	
Local Government		5,000,000	
Total		6,200,000	
ECONOMIC DEVELOPMENT			
Financial Incentives		7,000,000	
EDUCATION, ARTS AND HUMANITIES			
School Facilities Construction Commission		62,500,000	
FINANCE AND ADMINISTRATION			
General Administration		10,600,000	
Facilities Management		2,500,000	
Total		13,100,000	
JUSTICE			
Justice Operations			
State Police		23,252,000	
Juvenile Justice		26,981,000	
Subtotal		50,233,000	
Corrections			
Corrections Management		25,918,000	
Total		76,151,000	
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION			
Kentucky River Authority		2,000,000	
POSTSECONDARY EDUCATION			
Council on Postsecondary Education		111,863,000	
Kentucky Higher Education Assistance Authority		9,000,000	
Eastern Kentucky University		40,000,000	
Kentucky State University		8,250,000	
Morehead State University		14,000,000	
Murray State University		10,184,000	
Northern Kentucky University		36,500,000	
University of Kentucky		63,600,000	

BOND FUNDS

<u>Cabinet / Agency</u>	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
University of Louisville		32,040,000	
Western Kentucky University		18,500,000	
Kentucky Community and Technical College System	3,200,000	77,214,000	
Subtotal	<u>3,200,000</u>	<u>300,288,000</u>	
Total	<u>3,200,000</u>	<u>421,151,000</u>	
PUBLIC PROTECTION AND REGULATION			
Public Service Commission		1,100,000	
TRANSPORTATION			
General Administration and Support		68,100,000	
Grand Total - EXECUTIVE BRANCH	<u>3,200,000</u>	<u>631,384,000</u>	
Grand Total - STATE GOVERNMENT	<u>3,200,000</u>	<u>631,384,000</u>	

CAPITAL CONSTRUCTION SURPLUS

<u>FUND</u>	<u>Revised FY 1998</u>	<u>Recommended FY 1999</u>	<u>Recommended FY 2000</u>
EDUCATION			
SEEK		282,000	
EDUCATION, ARTS AND HUMANITIES			
Kentucky Educational Television		1,100,000	
HEALTH SERVICES			
Mental Health/Mental Retardation	1,100,000		
JUSTICE			
State Police		80,000	
TOURISM DEVELOPMENT			
Kentucky Horse Park	377,000		
Grand Total - EXECUTIVE BRANCH	<u>1,477,000</u>	<u>1,462,000</u>	
Grand Total - STATE GOVERNMENT	<u>1,477,000</u>	<u>1,462,000</u>	

INVESTMENT INCOME

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
GOVERNMENT OPERATIONS			
Military Affairs		1,300,000	1,300,000
EDUCATION, ARTS AND HUMANITIES			
Kentucky Center for the Arts		350,000	150,000
FAMILIES AND CHILDREN			
Administration Services		300,000	300,000
FINANCE AND ADMINISTRATION			
General Administration		1,121,000	
Facilities Management	698,000	23,249,000	3,475,000
Total	698,000	24,370,000	3,475,000
HEALTH SERVICES			
Mental Health/Mental Retardation		850,000	450,000
JUSTICE			
Justice Operations			
State Police		200,000	200,000
Juvenile Justice		400,000	400,000
Subtotal		600,000	600,000
Corrections			
Corrections Management		1,850,000	1,400,000
Total		2,450,000	2,000,000
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION			
General Administration and Support		100,000	100,000
Environmental Protection		500,000	500,000
Natural Resources		200,000	
Total		800,000	600,000
REVENUE			
Revenue Cabinet		425,000	
TOURISM DEVELOPMENT			
Parks		4,200,000	4,200,000
Kentucky Horse Park		1,557,000	375,000
Kentucky State Fair Board		300,000	
Total		6,057,000	4,575,000
WORKFORCE DEVELOPMENT			
General Administration and Program Support		250,000	250,000
Grand Total - EXECUTIVE BRANCH	698,000	37,152,000	13,100,000
Grand Total - STATE GOVERNMENT	698,000	37,152,000	13,100,000

OTHER FUNDS

Cabinet / Agency	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
EDUCATION, ARTS AND HUMANITIES			
Kentucky Historical Society	1,599,000	1,948,000	
Kentucky Lottery Corporation		37,826,000	6,209,000
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION			
Nature Preserves Commission		300,000	300,000
POSTSECONDARY EDUCATION			
Kentucky State University			1,715,000
Murray State University		4,000,000	
Northern Kentucky University		23,600,000	
University of Louisville		26,622,000	10,865,000
Western Kentucky University		3,365,000	10,800,000
Kentucky Community and Technical College System		28,648,000	
Total		<u>86,235,000</u>	<u>23,380,000</u>
Grand Total - EXECUTIVE BRANCH	<u>1,599,000</u>	<u>126,309,000</u>	<u>29,889,000</u>
Grand Total - STATE GOVERNMENT	<u>1,599,000</u>	<u>126,309,000</u>	<u>29,889,000</u>

ALL FUNDS - AVAILABLE

FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
GOVERNMENT OPERATIONS			
Executive Office of the Governor			
Office of the Governor	7,883,500	10,206,000	10,556,500
Governor's Office for Policy and Management	2,638,400	2,947,500	3,145,000
State Planning Fund	500,000	500,000	500,000
Subtotal	<u>11,021,900</u>	<u>13,653,500</u>	<u>14,201,500</u>
Secretary of State	2,734,200	2,965,300	3,122,800
Board of Elections	3,470,000	4,139,800	4,212,100
Treasury	2,028,200	2,082,500	2,139,200
Attorney General	22,122,400	20,890,500	21,372,700
Unified Prosecutorial System			
Commonwealth's Attorneys	18,475,200	19,330,500	20,248,100
County Attorneys	16,011,200	16,887,400	17,699,200
Subtotal	<u>34,486,400</u>	<u>36,217,900</u>	<u>37,947,300</u>
Auditor of Public Accounts	8,406,100	9,432,300	9,824,900
Agriculture	24,947,600	29,970,700	25,432,500
Military Affairs	60,726,600	30,613,500	31,625,800
Personnel Board	499,600	521,300	536,800
Local Government	47,635,300	50,495,900	50,385,900
Special Funds	73,903,900	76,912,400	83,256,700
Commission on Human Rights	2,161,700	2,213,900	2,270,900
Commission on Women	244,200	246,600	254,100
Kentucky Retirement Systems	11,565,000	14,386,000	15,418,500
Kentucky Kare Health Insurance Authority	895,500	1,003,000	1,042,500
Registry of Election Finance	1,658,300	5,366,600	4,074,000
Boards and Commissions	25,024,900	26,428,800	25,064,800
Governmental Services Center	1,718,000	1,565,300	1,428,300
Executive Branch Ethics Commission	265,300	277,700	285,400
Appropriations Not Otherwise Classified	4,579,500	4,463,500	4,503,500
Appropriations Not Otherwise Classified-Judgments	245,858,000	10,000,000	
Kentucky Veterans Center	19,063,500	18,102,300	17,241,400
Total	<u>605,016,100</u>	<u>361,949,300</u>	<u>355,641,600</u>
ECONOMIC DEVELOPMENT			
Secretary	2,057,200	3,483,000	4,491,000
Administration	2,059,900	2,176,000	2,231,000
Job Development	2,051,000	2,333,000	2,413,000
Financial Incentives	16,271,300	15,564,000	15,049,000
Debt Service	51,815,000		666,000
Community Development	3,873,800	3,170,500	3,268,500
Total	<u>78,128,200</u>	<u>26,726,500</u>	<u>28,118,500</u>

ALL FUNDS - AVAILABLE

FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
EDUCATION			
SEEK	2,029,385,300	2,114,755,500	2,184,668,000
Executive Policy and Management	4,202,200	4,449,400	4,608,400
Management Support Services	414,804,700	424,855,700	446,116,000
Learning Results Services	33,736,600	35,325,300	35,926,900
Learning Support Services	374,318,200	388,142,200	415,018,200
Total	2,856,447,000	2,967,528,100	3,086,337,500
EDUCATION, ARTS AND HUMANITIES			
Secretary	1,928,800	2,313,600	2,375,100
Kentucky Arts Council	5,085,400	4,999,300	5,024,600
Teachers' Retirement System	70,009,300	79,201,700	82,533,100
School Facilities Construction Commission	63,755,200	61,201,000	66,714,000
Deaf and Hard of Hearing	722,300	739,800	703,200
Kentucky Heritage Council	1,680,600	1,655,400	1,695,400
Kentucky Educational Television	19,372,900	15,425,200	15,616,000
Kentucky Historical Society	5,569,400	6,205,600	5,995,600
Libraries and Archives	17,618,200	16,013,700	16,217,000
Kentucky Center for the Arts	3,135,400	625,500	625,500
Environmental Education Council	327,000	381,500	328,500
Total	189,204,500	188,762,300	197,828,000
FAMILIES AND CHILDREN			
Administration Services	26,290,800	18,837,500	17,439,500
Social Insurance			
Administration	234,885,400	250,373,100	261,219,800
Benefits	269,288,300	238,024,000	235,760,500
Subtotal	504,173,700	488,397,100	496,980,300
Social Services	297,232,800	308,797,200	325,904,800
Aging Services	40,013,900	40,089,000	40,181,500
Total	867,711,200	856,120,800	880,506,100
FINANCE AND ADMINISTRATION			
General Administration	72,902,400	73,297,000	72,716,000
Debt Service	30,586,000	142,743,000	158,864,000
County Costs	17,719,600	17,719,500	17,719,500
County Fees	54,834,500	63,223,500	65,250,500
Administration	24,316,100	14,232,000	14,828,000
Facilities Management	25,256,600	28,225,000	28,908,000
Information Systems	47,654,500	49,767,500	51,016,500
Total	273,269,700	389,207,500	409,302,500

ALL FUNDS - AVAILABLE

FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
HEALTH SERVICES			
Medicaid Services			
Administration	60,295,600	49,051,200	49,821,600
Benefits	2,782,439,400	2,897,571,000	2,831,025,500
Subtotal	2,842,735,000	2,946,622,200	2,880,847,100
Mental Health/Mental Retardation	301,410,000	302,446,900	312,436,100
Public Health	174,573,000	177,996,800	179,452,200
Children with Special Health Care Needs	17,138,300	15,475,700	15,787,600
Certificate of Need	1,057,100	959,200	846,900
Administrative Support	26,638,900	84,879,400	85,582,500
Total	3,363,552,300	3,528,380,200	3,474,952,400
JUSTICE			
Justice Operations			
Criminal Justice Training	28,516,500	31,608,500	35,770,500
State Police	109,443,100	112,843,100	119,701,400
Justice Administration	26,870,000	30,238,100	31,545,900
Juvenile Justice	69,811,700	81,710,900	96,863,000
Subtotal	234,641,300	256,400,600	283,880,800
Corrections			
Corrections Management	27,437,700	7,161,700	9,975,700
Community Services and Local Facilities	59,452,700	68,187,800	72,808,300
Local Jail Support	14,944,300	14,568,500	14,568,500
Adult Correctional Institutions	182,135,800	194,364,100	199,876,200
Subtotal	283,970,500	284,282,100	297,228,700
Total	518,611,800	540,682,700	581,109,500
LABOR			
General Administration and Support	4,451,800	5,002,500	5,020,800
Workplace Standards	212,178,600	155,530,700	157,321,000
Workers' Claims	15,182,500	14,994,000	15,637,000
Kentucky Occupational Safety and Health Review Commission	454,500	483,500	494,000
Kentucky Workers' Compensation Funding Commission	452,169,000	338,595,000	283,042,000
Total	684,436,400	514,605,700	461,514,800
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION			
General Administration and Support	11,224,900	11,347,200	11,627,700
Environmental Protection	64,823,500	68,035,200	63,815,800

ALL FUNDS - AVAILABLE

FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
Natural Resources	20,789,400	21,076,200	19,966,300
Surface Mining Reclamation	58,031,800	57,485,700	57,720,100
Abandoned Mine Lands Reclamation Projects'	22,456,000	22,456,000	22,456,000
Subtotal	177,325,600	180,400,300	175,585,900
Kentucky River Authority	3,124,100	2,482,000	2,284,500
Environmental Quality Commission	254,900	255,100	251,800
Nature Preserves Commission	1,827,200	1,675,200	1,382,800
Total	182,531,800	184,812,600	179,505,000
PERSONNEL	33,417,800	36,400,900	40,002,100
POSTSECONDARY EDUCATION			
Council on Postsecondary Education	30,006,300	68,082,200	113,718,900
Kentucky Higher Education Assistance Authority	44,780,500	44,683,700	45,289,200
Universities			
Eastern Kentucky University	166,719,200	170,686,600	175,287,400
Kentucky State University	42,565,000	47,874,400	49,201,300
Morehead State University	101,248,100	104,210,100	109,118,700
Murray State University	96,811,000	99,792,800	101,325,600
Northern Kentucky University	82,347,000	85,006,000	87,984,000
University of Kentucky	1,004,483,000	1,050,842,700	1,076,244,300
University of Louisville	396,077,100	405,273,000	416,993,500
Western Kentucky University	130,832,000	134,379,000	137,676,000
Kentucky Community and Technical College System	11,768,700	282,702,900	291,046,400
University of Kentucky Community College System	192,030,500		
Subtotal	2,224,881,600	2,380,767,500	2,444,877,200
Total	2,299,668,400	2,493,533,400	2,603,885,300
PUBLIC PROTECTION AND REGULATION			
Board of Claims/Crime Victims Compensation	3,189,200	3,527,400	3,846,400
Alcoholic Beverage Control	3,071,500	3,500,500	3,531,000
Financial Institutions	11,287,000	10,474,000	12,036,500
Kentucky Racing Commission	19,343,100	17,298,800	17,441,600
Housing, Buildings, and Construction	40,326,700	36,900,100	38,072,900
Insurance	35,237,100	35,799,600	36,298,600
Mines and Minerals	12,144,300	12,460,800	12,099,400
Public Advocacy	20,112,600	20,708,100	20,793,100
Public Service Commission	7,952,500	9,118,900	8,907,900
Office of the Secretary	135,497,400	140,263,000	145,242,000
Board of Tax Appeals	541,200	410,200	422,000
Total	288,702,600	290,461,400	298,691,400

ALL FUNDS - AVAILABLE

FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
REVENUE			
Revenue Cabinet	63,267,800	63,259,100	64,588,100
Property Value Administrators	24,341,100	25,151,500	25,895,500
Total	87,608,900	88,410,600	90,483,600
TOURISM DEVELOPMENT			
Secretary	1,418,600	1,232,800	1,276,100
Breaks Interstate Park	200,000	200,000	200,000
Travel Development	6,390,100	6,996,400	7,181,800
Parks	77,688,000	73,334,800	75,583,100
Kentucky Horse Park	6,964,000	5,687,500	5,811,000
Kentucky State Fair Board	39,612,500	30,361,500	31,152,500
Fish and Wildlife Resources	50,875,000	50,662,500	48,368,000
Total	183,148,200	168,475,500	169,572,500
TRANSPORTATION			
Air Transportation	5,275,200	5,633,200	5,700,200
Revenue Sharing	203,464,000	204,091,500	208,717,000
Rail Transportation	66,800	69,500	72,000
Public Transportation	8,643,900	58,212,900	60,439,400
Highways	1,051,031,000	1,093,086,000	1,076,441,000
Vehicle Regulation	31,867,000	32,963,000	33,826,000
Debt Service	152,330,000	153,027,500	168,633,500
General Administration and Support	75,069,000	79,576,000	86,418,500
Judgments	5,983,500		
Total	1,533,730,400	1,626,659,600	1,640,247,600
WORKFORCE DEVELOPMENT			
General Administration and Program Support	22,700,400	13,071,000	9,621,500
State Board for Adult and Technical Education	33,600	30,000	30,500
Technical Education	131,833,300	53,157,600	53,781,200
Adult Education and Literacy	21,184,200	21,610,200	22,383,900
Vocational Rehabilitation	48,304,700	50,306,100	51,832,300
Department for the Blind	13,360,700	12,200,700	11,633,100
Governor's Council on Vocational Education	152,500		
State Board for Proprietary Education	244,500	123,000	129,000
Job Training Coordinating Council	138,900	132,500	139,000
Teachers' Retirement - Employers' Contribution	9,266,100	4,313,500	4,530,500
Training and Reemployment	42,682,000	36,824,500	40,510,500
Employment Services	282,782,300	304,484,400	309,398,100
Total	572,683,200	496,253,500	503,989,600

ALL FUNDS - AVAILABLE

FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
Capital Construction	19,483,000	1,544,271,000	183,584,000
Budget Reserve Trust Fund	200,000,000	200,000,000	200,000,000
EMPOWER Kentucky Savings	(2,600,000)		
Grand Total - EXECUTIVE BRANCH	14,834,751,500	16,503,241,600	15,385,272,000
Legislative Branch	48,871,400	43,344,000	48,266,000
Judicial Branch	145,034,600	154,048,000	165,672,500
Grand Total - STATE GOVERNMENT	15,028,657,500	16,700,633,600	15,599,210,500

ALL FUNDS - APPROPRIATED

FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
GOVERNMENT OPERATIONS			
Executive Office of the Governor			
Office of the Governor	7,267,000	9,589,500	9,940,000
Governor's Office for Policy and Management	2,511,400	2,860,500	3,098,000
State Planning Fund	500,000	500,000	500,000
Subtotal	10,278,400	12,950,000	13,538,000
Secretary of State	2,223,200	2,396,800	2,499,800
Board of Elections	3,470,000	4,139,800	4,212,100
Treasury	2,024,200	2,078,500	2,135,200
Attorney General	21,661,900	20,556,500	21,372,700
Unified Prosecutorial System			
Commonwealth's Attorneys	18,243,700	19,122,000	20,071,100
County Attorneys	15,935,000	16,837,200	17,675,000
Subtotal	34,178,700	35,959,200	37,746,100
Auditor of Public Accounts	7,857,600	8,955,300	9,347,900
Agriculture	22,528,500	27,685,700	23,331,000
Military Affairs	59,637,100	29,548,500	30,513,800
Personnel Board	494,500	518,700	536,700
Local Government	45,857,800	49,050,900	48,891,400
Special Funds	73,903,900	76,912,400	83,256,700
Commission on Human Rights	2,051,200	2,103,400	2,160,400
Commission on Women	243,700	246,100	253,600
Kentucky Retirement Systems	11,565,000	14,386,000	15,418,500
Kentucky Kare Health Insurance Authority	864,000	1,003,000	1,042,500
Registry of Election Finance	1,331,300	5,366,600	4,074,000
Boards and Commissions	11,231,600	12,262,500	12,641,500
Governmental Services Center	1,252,700	1,237,000	1,276,000
Executive Branch Ethics Commission	258,300	273,700	284,400
Appropriations Not Otherwise Classified	4,579,500	4,463,500	4,503,500
Appropriations Not Otherwise Classified-Judgments	245,858,000	10,000,000	
Kentucky Veterans Center	16,017,500	16,295,300	17,213,900
Total	579,368,600	338,389,400	336,249,700
ECONOMIC DEVELOPMENT			
Secretary	2,057,200	3,483,000	4,491,000
Administration	1,982,900	2,153,000	2,231,000
Job Development	2,051,000	2,333,000	2,413,000

ALL FUNDS - APPROPRIATED

FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
Financial Incentives	15,502,800	15,562,000	15,046,000
Debt Service	51,815,000		666,000
Community Development	3,761,300	3,089,000	3,208,500
Total	77,170,200	26,620,000	28,055,500
EDUCATION			
SEEK	2,029,385,300	2,114,755,500	2,184,668,000
Executive Policy and Management	4,086,200	4,325,200	4,468,400
Management Support Services	414,620,700	424,787,100	446,025,900
Learning Results Services	33,715,100	35,303,800	35,907,400
Learning Support Services	373,637,200	387,560,700	414,472,200
Total	2,855,444,500	2,966,732,300	3,085,541,900
EDUCATION, ARTS AND HUMANITIES			
Secretary	1,928,300	2,313,100	2,374,600
Kentucky Arts Council	4,896,400	4,934,300	5,002,100
Teachers' Retirement System	70,009,300	79,201,700	82,533,100
School Facilities Construction Commission	63,755,200	61,201,000	66,714,000
Deaf and Hard of Hearing	722,300	739,800	703,200
Kentucky Heritage Council	1,643,100	1,617,900	1,657,900
Kentucky Educational Television	18,821,400	15,085,700	15,616,000
Kentucky Historical Society	5,299,900	6,018,100	5,870,100
Libraries and Archives	16,932,200	15,528,200	16,027,500
Kentucky Center for the Arts	3,135,400	625,500	625,500
Environmental Education Council	260,500	315,000	262,000
Total	187,404,000	187,580,300	197,386,000
FAMILIES AND CHILDREN			
Administration Services	23,525,300	17,832,000	17,439,500
Social Insurance			
Administration	234,885,400	250,373,100	261,219,800
Benefits	269,288,300	238,024,000	235,760,500
Subtotal	504,173,700	488,397,100	496,980,300
Social Services	297,232,800	308,797,200	325,904,800
Aging Services	40,013,900	40,089,000	40,181,500
Total	864,945,700	855,115,300	880,506,100
FINANCE AND ADMINISTRATION			
General Administration	70,364,400	71,386,000	71,595,000
Debt Service	30,586,000	142,743,000	158,864,000
County Costs	17,513,100	17,513,000	17,513,000

ALL FUNDS - APPROPRIATED

FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
County Fees	41,355,000	49,744,000	51,771,000
Administration	22,448,600	12,172,000	12,560,000
Facilities Management	23,662,600	27,184,000	28,823,000
Information Systems	46,532,000	48,933,000	50,384,000
Total	<u>252,461,700</u>	<u>369,675,000</u>	<u>391,510,000</u>
HEALTH SERVICES			
Medicaid Services			
Administration	60,295,600	49,051,200	49,821,600
Benefits	2,661,400,000	2,838,600,000	2,795,099,000
Subtotal	<u>2,721,695,600</u>	<u>2,887,651,200</u>	<u>2,844,920,600</u>
Mental Health/Mental Retardation	296,799,500	301,635,400	311,624,600
Public Health	173,885,000	177,962,800	179,418,200
Children with Special Health Care Needs	15,838,300	15,475,700	15,787,600
Certificate of Need	410,700	428,800	450,500
Administrative Support	26,053,200	84,693,700	85,396,800
Total	<u>3,234,682,300</u>	<u>3,467,847,600</u>	<u>3,437,598,300</u>
JUSTICE			
Justice Operations			
Criminal Justice Training	25,860,000	25,932,500	30,088,000
State Police	108,698,600	111,961,600	118,703,400
Justice Administration	19,542,500	21,993,100	22,326,400
Juvenile Justice	69,811,700	81,617,800	96,670,900
Subtotal	<u>223,912,800</u>	<u>241,505,000</u>	<u>267,788,700</u>
Corrections			
Corrections Management	27,269,200	7,103,200	9,917,200
Community Services and Local Facilities	57,258,700	66,907,300	72,807,800
Local Jail Support	14,944,300	14,568,500	14,568,500
Adult Correctional Institutions	170,780,500	186,309,600	197,723,200
Subtotal	<u>270,252,700</u>	<u>274,888,600</u>	<u>295,016,700</u>
Total	<u>494,165,500</u>	<u>516,393,600</u>	<u>562,805,400</u>
LABOR			
General Administration and Support	4,451,800	5,002,500	5,020,800
Workplace Standards	208,178,600	151,530,700	153,321,000
Workers' Claims	15,182,500	14,994,000	15,637,000

ALL FUNDS - APPROPRIATED

FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
Kentucky Occupational Safety and Health Review Commission	454,500	483,500	494,000
Subtotal	<u>228,267,400</u>	<u>172,010,700</u>	<u>174,472,800</u>
Kentucky Workers' Compensation Funding Commission	227,388,500	168,905,500	171,337,500
Total	<u>455,655,900</u>	<u>340,916,200</u>	<u>345,810,300</u>
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION			
General Administration and Support	10,849,400	11,120,200	11,627,700
Environmental Protection	53,993,500	60,499,700	59,636,300
Natural Resources	19,125,900	20,224,700	19,966,300
Surface Mining Reclamation	31,577,800	31,523,700	32,372,600
Abandoned Mine Lands Reclamation Projects'	22,456,000	22,456,000	22,456,000
Subtotal	<u>138,002,600</u>	<u>145,824,300</u>	<u>146,058,900</u>
Kentucky River Authority	1,526,100	1,870,000	2,119,000
Environmental Quality Commission	252,900	255,100	251,800
Nature Preserves Commission	1,390,200	1,462,700	1,382,800
Total	<u>141,171,800</u>	<u>149,412,100</u>	<u>149,812,500</u>
PERSONNEL	27,446,800	29,091,900	30,396,600
POSTSECONDARY EDUCATION			
Council on Postsecondary Education	30,006,300	68,082,200	113,718,900
Kentucky Higher Education Assistance Authority	44,585,000	44,488,200	45,093,700
Universities			
Eastern Kentucky University	166,719,200	170,686,600	175,287,400
Kentucky State University	42,565,000	47,874,400	49,201,300
Morehead State University	101,248,100	104,210,100	109,118,700
Murray State University	96,811,000	99,792,800	101,325,600
Northern Kentucky University	82,347,000	85,006,000	87,984,000
University of Kentucky	1,004,483,000	1,050,842,700	1,076,244,300
University of Louisville	396,077,100	405,273,000	416,993,500
Western Kentucky University	130,832,000	134,379,000	137,676,000
Kentucky Community and Technical College System	11,768,700	282,172,400	290,397,400
University of Kentucky Community College System	192,030,500		
Subtotal	<u>2,224,881,600</u>	<u>2,380,237,000</u>	<u>2,444,228,200</u>
Total	<u>2,299,472,900</u>	<u>2,492,807,400</u>	<u>2,603,040,800</u>

ALL FUNDS - APPROPRIATED

FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
PUBLIC PROTECTION AND REGULATION			
Board of Claims/Crime Victims Compensation	2,115,700	2,171,400	2,208,400
Alcoholic Beverage Control	2,825,400	3,329,400	3,409,900
Financial Institutions	9,385,500	7,056,000	7,307,500
Kentucky Racing Commission	16,793,300	15,436,100	15,076,400
Housing, Buildings, and Construction	32,671,100	28,874,000	31,003,300
Insurance	22,133,500	22,574,000	23,206,500
Mines and Minerals	11,323,300	11,648,800	11,296,400
Public Advocacy	18,595,600	19,611,100	20,257,100
Public Service Commission	7,952,500	9,118,900	8,907,900
Office of the Secretary	41,347,700	41,836,500	42,384,500
Board of Tax Appeals	541,200	410,200	422,000
Total	165,684,800	162,066,400	165,479,900
REVENUE			
Revenue Cabinet	61,747,100	62,467,900	64,350,900
Property Valuation Administrators	22,554,600	23,789,500	25,022,000
Total	84,301,700	86,257,400	89,372,900
TOURISM DEVELOPMENT			
Secretary	1,418,600	1,232,800	1,276,100
Breaks Interstate Park	200,000	200,000	200,000
Travel Development	6,390,100	6,996,400	7,181,800
Parks	75,688,000	71,234,800	73,373,100
Kentucky Horse Park	6,864,000	5,490,500	5,614,000
Kentucky State Fair Board	35,828,500	26,536,000	28,109,000
Fish and Wildlife Resources	28,176,500	30,426,000	31,824,000
Total	154,565,700	142,116,500	147,578,000
TRANSPORTATION			
Air Transportation	5,241,200	5,599,200	5,666,200
Revenue Sharing	203,464,000	204,091,500	208,717,000
Rail Transportation	66,800	69,500	72,000
Public Transportation	8,673,400	58,242,400	60,468,900
Highways	1,030,345,000	1,094,278,000	1,077,633,000
Vehicle Regulation	28,715,500	32,218,500	33,376,000
Debt Service	152,330,000	153,027,500	168,633,500
General Administration and Support	73,259,500	78,114,500	85,649,000
Judgments	5,983,500		
Total	1,508,078,900	1,625,641,100	1,640,215,600
WORKFORCE DEVELOPMENT			
General Administration and Program Support	22,402,400	12,772,000	9,340,000

ALL FUNDS - APPROPRIATED

State Board for Adult and Technical Education	33,600	30,000	30,500
FUND	Revised FY 1998	Recommended FY 1999	Recommended FY 2000
Technical Education	131,038,300	53,099,600	53,681,700
Adult Education and Literacy	21,065,200	21,528,200	22,337,900
Vocational Rehabilitation	47,399,200	49,464,100	51,148,800
Department for the Blind	12,964,700	12,029,700	11,578,100
Governor's Council on Vocational Education	152,500		
State Board for Proprietary Education	235,000	110,500	116,000
Job Training Coordinating Council	138,900	132,500	139,000
Teachers' Retirement - Employers' Contribution	9,266,100	4,313,500	4,530,500
Training and Reemployment	42,682,000	36,824,500	40,510,500
Employment Services	282,777,300	304,479,400	309,393,100
Total	570,155,200	494,784,000	502,806,100
Capital Construction	19,483,000	1,544,271,000	183,584,000
Budget Reserve Trust Fund	200,000,000	200,000,000	200,000,000
EMPOWER Kentucky Savings	(2,600,000)		
Grand Total - EXECUTIVE BRANCH	14,169,059,200	15,995,717,500	14,977,749,600
Legislative Branch	48,560,400	43,083,000	48,005,000
Judicial Branch	143,563,100	153,338,000	165,672,500
Grand Total - STATE GOVERNMENT	14,361,182,700	16,192,138,500	15,191,427,100